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7 April 1983

NEAR EAST/SOUTH ASIA REPORT

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BILL TO RATIFY GULF INVESTMENT ESTABLISHMENT DISCUSSED

Kuwait AL-SIYASAH in Arabic 21 Feb 83 p 9

[Article: "National Assembly's Foreign Relations Committee Approves Bill on Foundation of Gulf Investment Establishment Among Cooperation Council Member States"]

[Text] The National Assembly's Foreign Relations Committee approved two days ago the bill presented by the government to ratify [the agreement on] the foundation of the Gulf Investment Establishment which was signed by the six-member states of the Gulf Cooperation Council in the city of Manama in Bahrain on 10 November 1982.

Deputy Badr al-Mudaf, the committee rapporteur, has told a KUWAITI NEWS AGENCY correspondent that the committee approved unanimously the bill presented by the government on the foundation of the Gulf Investment Establishment as a joint-stock Gulf company.

The committee has prepared its report on the bill which is scheduled to be discussed by the Assembly in its session next Tuesday.

Deputy al-Mudaf has stated that the bill consists of 11 articles and the statutes consist of 48 articles divided into two sections.

The establishment's capital has been set at \$2.1 billions divided into 2.1 million shares, each valued at \$1,000.

The governments signing the agreement will subscribe equal shares, each amounting to \$350 millions.

Deputy al-Mudaf added that the establishment's goals have been defined in the following:

1. Investing the establishment's capital and whatever capital is entrusted to it in the various aspects of investments in and outside the member states and contributing to the development of the member states' economic and financial resources.
2. Organizing, advancing and managing loans or participating with others in advancing loans and issuing guarantees.

3. Circulating stocks, bonds and other circulable securities.
4. Managing investment portfolios for others and acting as a trustee or an agent.
5. Borrowing and issuing bonds.
6. Conducting research and investigations on the investment of capital, finding the investment projects likely to help achieve the establishment's projects and offering advice and services for investment operations carried out by others.
7. The establishment may have an interest in or may participate in any manner with organizations and companies engaged in similar activities or that may help the establishment achieve its objectives. The establishment may own a controlling interest or shares or may fully own such organizations and companies.

Following is the text of the explanatory memorandum attached to the bill presented by the government on the foundation of the Gulf Investment Establishment as a joint-stock company:

In accordance with the Gulf Cooperation Council's objectives and in implementation of the provisions of the unified economic agreement between the Cooperation Council member states, the Supreme Council of the Gulf Cooperation Council member states approved in its third session, held in the city of Manama, the State of Bahrain, on 10 November 1982, the agreement for the foundation of the Gulf Investment Establishment as a joint-stock Gulf company and the statutes attached to it. The first article provides for the foundation of a joint-stock Gulf company in accordance with the laws of the State of Kuwait to be called the Gulf Investment Establishment and to have a legal-person status.

The second article sets the city of Kuwait as the establishment's main headquarters. Articles 3, 4 and 5 define the establishment's duration, objectives and capital, set at \$2.1 billions divided into 2.1 million shares, each valued at \$1,000. The governments signing the agreement will contribute equal shares, each amounting to \$350 millions.

Article 6 defines the responsibility of the shareholders. Article 7 deals with the immunities and exemptions pertaining to the establishment's capital and to the members of its board of directors. Article 8 defines the establishment's legal system. Article 9 of the agreement deals with settling any disputes arising between any of the governments or between any of them and the establishment. Paragraphs 2, 3 and 4 of article 9 spell out the arbitration procedures and methods. Article 10 explains the method for amending the agreement and article 11 spells the date on which the agreement goes into effect.

Considering that the Ministry of Finance has, in its capacity as the ministry concerned, approved the agreement and requested that the measures to ratify it be taken,--because this agreement achieves Kuwait's interest and is not in conflict with Kuwait's Arab or international commitments and because this agreement entails financial burdens not included in the budget and provides for immunities and tax and fee exemptions for the establishment's capital and assets --the attached bill has been prepared for ratifying this agreement in implementation of paragraph 2 of article 70 of the constitution.

GULF COOPERATION COUNCIL SECRETARY REVIEWS ACCOMPLISHMENTS

Beirut AL-IQTISAD WA AL-A'MAL in Arabic No 45, Feb 83 pp 36-38

[Interview With Dr 'Abdallah al-Quwayz, Gulf Cooperation Council's Assistant Secretary General for Economic Affairs; "Al-Quwayz: Gulf Unity Is Long-Range Goal; Phased Goal Is Customs Union; Self-Sufficiency Is Fad and International Inter-Dependence Is Inevitable: We Have Allowed Freedom of Transit and of Economic Activity Between Council Member States; Gulf Investment Establishment Founded With Capital of \$2.1 Billions and Is Headquartered in Kuwait"]

[Text] Dr 'Abdallah al-Quwayz, the Gulf Cooperation Council secretary general who plays a major role in "engineering" economic unity between the Council member states, is optimistic regarding the future. But in his optimism, al-Quwayz does not abandon the realism that characterizes his approach and his personality. He stresses the phased approach in building the Gulf's economic and financial integration.

Here is an interview which has evaluated with Dr al-Quwayz the harvest of the Gulf's economic cooperation after the passage of 1-1/2 years on the foundation of the Council, as well as the aspirations of this cooperation in the coming phase.

[Question] What results has the Gulf Cooperation Council achieved in the economic sphere?

[Answer] A relatively short time not exceeding a year and a few months has passed since foundation of the Cooperation Council. Despite this, the following results have been achieved:

The signing and ratification of the economic agreement by all the member states. Therefore, there are no legal obstacles to prevent its implementation.

Insofar as establishments are concerned, the statutes and agreement creating the Gulf Investment Establishment with a capital of \$2.1 billions, divided equally among the member states, have been signed. This establishment will begin its operations in four months in Kuwait. The member states will deposit 20 percent of the capital in the Kuwaiti banks and the remaining installments will be paid over the next four years. The board of directors will be comprised of representatives of each state, including the minister of finance. Procedurally, all this will be done in the next four months.

But practically, the picture is clear and we expect this issue to be discussed by the ministers of finance meeting in Bahrain next week.

Unification of Standards

The second accomplishment in the sphere of establishments is the transformation of the Arab Standards and Measurements Organization into a Gulf establishment concerned with standards and measurements in the Council member states.

This establishment will have a board of directors in which all the member states will be represented and it will act as a legislative authority to determine these standards and measurements which will be binding to a degree. The importance of this step is obvious in two respects:

A. On the one hand, we are approaching a coordination of our industrial activity and this must be accompanied by unification of the production standards.

B. We view our trade dealings with the member states as a single trade unit. Therefore, the goods imported into this area must have similar specifications.

The third accomplishment to be realized shortly will be in implementing the economic agreement at the beginning of the coming month of March.

[Another accomplishment] is the abolition of customs fees on all goods produced locally in the member states.

Releasing Freedom of Economic Activity

[A further accomplishment] is the implementation by the member states of a transit system similar to the European T.I.R. The means of transportation, as well as the boats and ships owned by any of the member states will be given the treatment of national boats and ships insofar as shipping, loading, unloading, storage and docking are concerned.

Yet another would permit as of 1 March 1983 all professionals, such as doctors, engineers, pharmacists and technicians to engage in their activity in all the member states like the citizens of the host state, as long as they get the necessary registration and licensing.

Another accomplishment was giving the citizens of the Council member states equality with the citizens of the host state in engaging in the following economic activities: Industrial activity, agricultural activity, livestock, fishing and contracting work.

"Invisible" Gains

This is what we have achieved in practical and tangible terms. But there are other aspects which the ordinary participant or observer may not be aware of, namely that the meetings we hold with each other are an educational process for each of us--a process through which we get to know each other, know our problems and unify our viewpoint on issues.

Another accomplishment is embodied in our preparation of a model contract for the purchase of technology. We have agreed that this contract will be used as a standard for dealing with other countries for the purchase of technology, be it the technology of petrochemicals, refineries, power plants or desalination plants. This helps us to think uniformly.

On the other hand, we have begun to deal with the market as an indivisible economic unit. Two days ago, we had a committee from the member states negotiating with the Pakistani Export Establishment for the purchase of rice. A contract has actually been concluded for the purchase of a quantity of rice for the member states as a group, and at lower prices.

We also have a committee for marketing the oil products. We exchange information through the committee, keep up with the market and conclude agreements. We also have a committee for marketing petrochemicals. Thus, we can say that we have achieved numerous accomplishments in a short period of time.

[Question] What are the Council's priorities for the future?

[Answer] We have completed a study on building a railroad that links the member states and extends from Kuwait to Muscat.

Sea and Land Linkage

We are also studying the possibility of establishing a coastal maritime company to link the main cities and ports of the Council member states. We are also studying the possibility of linking [unifying] the generation capacity of the member states' power plants and to supply jointly the power plants with clean fuel.

Regarding railroads, the General Secretariat has been entrusted with studying the possibility of linking the Council member states by a network of railroads.

So far, the secretariat has exerted no efforts in this respect. However, I know that there are negotiations at present between the Saudi Government and the U.S. administration to study the possibility of extending a railroad from Kuwait to al-Dammam, considering that it is possible to link Kuwait with Euro via al-Basrah.

[Question] What are the steps taken in the sphere of industrial coordination?

[Answer] We have formed committees to study most of the major industries. For example, we have a committee for cement, one for iron and steel, one for aluminum and a committee for petrochemicals. These are the industries where duality may exist. We have agreed to freeze the issuing of new permits for the cement industry. We are currently conducting a study on the ability of the existing cement plants to meet the market needs. If it becomes evident that the present plants are capable of meeting the market needs or that there will be a problem of flooding [dumping], then we will protect this industry.

As we are studying the issue of protecting the cement industry, we are also studying the question of protecting the aluminum, iron and steel, asbestos and copper industries. We will perhaps complete the studies on these five important industries in the near future. We will then invite the specialized committees to decide what they deem fit for these industries and to curb any future expansion.

Self-Sufficiency Is Fad

[Question] Excluding petrochemicals, the Gulf states' industry depends on the importation of raw materials and labor. Does this pose a problem in the long run?

[Answer] Self-sufficiency is a fad and an unrealistic concept. We are a part of the world and our revenues depend on the world's purchase of goods we produce. On the other hand, the world economy depends on some materials that we purchase. There is exchange and integration in the economic sphere and there is absolutely no place for isolation.

Even insofar as our petrochemical industries are concerned, we do not sell more than one percent of the products to the local market while exporting most of the production to the world market. This also is in conflict with the concept of self-sufficiency. But this does not mean that we are carried away by ideas projected in the industrial sphere. We are entrusted with formulating a wise industrial policy beneficial to the member states. Some ideas have been presented and we are currently working to study and develop these ideas by way of the experts of the member states. We hope that at the next meeting of the ministers of industry, we will have a complete document dealing with the various aspects of the industrial policy and focusing on the distribution of certain industries according to the advantages of the individual member states, on industries that do not require intensive labor and on training, marketing and resettlement in certain areas. Most of these points will be included in the document to be presented to and discussed by the ministers of industry meeting.

Development of Exchange Before Currency Unification

[Question] Insofar as currency dealings are concerned, what are the steps taken so far and what are the steps planned for the future?

[Answer] Before creation of the Cooperation Council, periodic meetings were held by the governors of the central banks of the Arab Gulf states. These meetings are still held outside the framework of the Cooperation Council.

Article 22 of the [economic] agreement provides for strengthening the currency and banking policy between the member states. This is one of the issues on which we have presented a working paper to the meeting which the ministers of finance held recently in Bahrain. I cannot comment on this issue before we receive definite instructions from the Financial and Economic Cooperation Committee.

There is no doubt that the issue of cooperation in the currency and banking sphere is one of the most important issues that must be the subject of focus and attention. But what happens is that currency is the instrument for the exchange of certain goods. This exchange is still limited, rather very limited, between the Council member states. Therefore, we must renew the efforts to develop this economic exchange. As for the instrument, namely currency, it is natural that its issue will be brought up later, keeping in mind that the currency exchange rates in all the Council member states are free rates and that there are no restrictions on the exchange rate or on the entry of monies. Consequently, the currency issue has not, and will not, create an obstacle in the face of trade exchange.

[Question] Previously, the issue of unifying the Arab currencies through issuance of an Arab dinar was raised. Is there a similar idea within the framework of the Cooperation Council?

[Answer] One of the ideas projected in the past within the framework of the Arab Monetary Fund agreement was the idea of issuing an Arab dinar. They even went further and called the Arab Monetary Fund capital the computational Arab dinar. In the Gulf states, the idea of establishing a Gulf dinar was raised by the governors of the Gulf states' central banks. This idea underwent considerable discussion but stopped at a certain point.

The economic agreement calls for coordination in the currency, financial and banking spheres in preparation for establishing a unified currency. It is natural then that the creation of a unified currency would crown all the efforts we are exerting in all spheres. But as I have already pointed out, currency is an instrument for the exchange of goods and the exchange should be developed before the instrument.

Stages of Unity

[Question] Can it be said that you have reached the beginning of the common Gulf market?

[Answer] We have not reached this yet because the academicians find that this is achieved through the following stages:

1. Creating a free trade zone and eliminating customs fees between the member states.
2. [Establishment of] a customs union and unifying customs fees vis-a-vis the outside world.
3. [Creation of] a common market which means, in addition to abolishing customs fees and setting unified fees vis-a-vis the outside world, permitting the movement of the production elements, such as labor, capital and the freedom of ownership.
4. At last, we reach the fourth and final phase, namely economic unity. This means creating balanced conditions in the production process and in economic activity.

Insofar as we are concerned, we have covered all these stages with each other. The academicians' division is for the purpose of making things easy to understand. Practically, (we don't recognize) these divisions.

On 1 March 1983, a step will be realized on that path, namely abolition of the customs fees. The general directors of customs will meet to discuss a lower unified tariff limit. This is considered tantamount to moving to the second stage.

One of the resolutions adopted by the third [council] summit was the resolution to permit the Council citizens to engage in economic activity and some other activities in any of the member states. This leads us into the common market. We are now studying how to harmonize the conditions and the aid offered to the production sectors. This is usually done in the fourth stage. We are still behind insofar as this stage is concerned. However, we are conducting studies to prepare for this goal.

The stage we are seeking to reach at present can be summed up in the following:

--Permitting some economic activities.

--Abolishing customs fees.

--Agreeing on minimum customs fees vis-a-vis the outside world.

Within four years, uniform customs fees should exist toward the outside world (so that it may be said that upon the completion of this stage, the Cooperation Council member states will turn from a free trade zone into a customs union).

"Bureaucratic" Difficulties

After the successive meetings we have held and the accomplishments we have achieved at this level, it is my hope that the future steps will be firmer steps for achieving unity.

[Question] What are the difficulties you are still facing?

[Answer] We are facing numerous difficulties. But the most insignificant are the bureaucratic difficulties in the Arab countries and in the Cooperation Council in particular.

8494

CSO: 4404/246

INTERNATIONAL AFFAIRS

BRIEFS

OMANI SULTAN GREETES IRAN PRESIDENT--Sultan Qabus sent a congratulatory cable to the president of the Islamic Republic of Iran on the occasion of the New Year. The cable reads as follows: Your Excellency Hojjat al-Eslam 'Ali Khamene'i, president of the Islamic Republic of Iran, Tehran, on the occasion of the celebration of the New Year by the Iranian people, we are pleased to convey to your excellency our congratulations and honest wishes for good health to you and prosperity and stability to the friendly Iranian people. [Signed] Qabus Ibn Sa'id [Text] [GF221353 Muscat Domestic Service in Arabic 1300 GMT 22 Mar 83]

UAE LOAN TO SUDAN--Abu Dhabi, 28 Mar [QNA]--A loan agreement of 1.875 million arithmetical Arabic dinars, which is equivalent to \$6 million, was signed in Abu Dhabi today between the Arab Monetary Fund, which is based in Abu Dhabi, and Sudan in order to help finance the expected deficit in Sudan's budget for the current year. The agreement was signed by Dr Muhammad Mahmud Imam, assistant director of the fund and by Fath al-Rahman Ibn Idris, director of the economic research and statistics department at the Bank of Sudan. [GF290600 Doha QNA in Arabic 1055 GMT 28 Mar 83]

CSO: 4400/270

PAPER CRITICIZES 'CHANGE OF STANCE' BY U.S. GOVERNMENT

Beirut ZARTONK in Armenian 17, 18 Feb 83

[Editorial reproduced from Los Angeles NOR OR]

[17 Feb 83 p 3]

[Text] The Armenian nation, dispersed around the world, today faces a new and painful situation, and it appears that it is witnessing a new twist in old history. A nation which has been rejected and insulted a thousand times should by now be accustomed to the emptiness of promises arising from transient friendships and should stop hoping, expecting, trusting and believing. But after all, being a nation endowed with rich emotions, we often forget the political realities of the world, and confusing diplomatic niceties with candor we are elated by a few kind words thrown in our direction and we start dancing in the streets.

We are a good-hearted naive nation which will probably never give birth to brilliant diplomats and politicians. We are now certain about that, since our everyday experience shows that we do not even want to exploit those moments when we are offered a rotten history filled with the bones of the innocent.

Yes. We started dancing in the streets when a few Americans acknowledged our pain and added some sympathy to their tone. And so, thinking that we were finally able to take our cause to the White House, we began boasting about our successes and we glorified not only the Senate and the House of Representatives, but also the universal authority and seriousness of American justice. We wanted to believe that the leadership of governments that determine the fate of the world had matured as a result of the bitter experiences of humanity in the past and had thus been endowed with qualities which would rise above pursuing political expediencies. Naturally, we were wrong.

We have been deceived before; the current developments painfully show that we have once again demonstrated the crippling naiveté of a dejected people disregarding the ingenuity and dishonesty of the Turk.

Naturally, we are once again speaking about that black page in our history wherein lie the unrecognizable corpses of our one and half million martyrs on whose account bargains are being struck today on corrupt political markets where truth intermingles with falsehoods. While we, a divided and fragmented nation

virtually undefended and unguarded, once again kneel on the marble stairs of glittering palaces and ask for mercy on behalf of our martyrs. We find ourselves in this humiliating situation because we see our hopes evaporate in glittering boulevards.

We expected, though not with full confidence, that at least in America the historical record would be set straight and the malicious fabrications and distortions of the Turk would be indisputably dispelled. The source of this half-hearted confidence of ours was the changing mentality of the enlightened intellectual class as well as the purposeful work done by Armenian academicians in U.S. universities in order to make our national history accessible to foreign groups and masses. We do not dispute the value of their service and are hopeful that justice and truth will eventually prevail in a country like America and will remove the thick veil that some want to lay over the indisputable facts of our history.

It is true that we are shocked and feel uneasy when baseless statements, such as the announcement that appeared in the State Department BULLETIN, dispute the agony and massacres suffered by the Armenian people simply in order to satisfy the abnoxious caprices of the Turkmens. The characterization of the Armenian genocide by Andrew Corsun and Dr Paul Hentze as "untrue" will not in any way change the facts of history, but such a stance will once again prove that morality has no place in politics and that the efforts made for the recognition of peoples' rights and freedom have no more weight than that of lips. In other words, these concepts are as hard to believe now as they were half a century ago.

However, in this case, internationally known and respected historians have authoritatively certified and made accessible this part of history which has artificially been made to remain in the dark. What we mean is that American "politicians" do not need to turn to Armenian sources for information when they have access to thick and heavy volumes written by American and British writers and historians. They should have consulted such sources simply for self-education and self-satisfaction, if, of course, they did not want to go as far as [former U.S. Ambassador to Turkey Henry] Morgenthau and others where they would find--probably to their surprise--undistorted testimony and certified history. Such a stance would presume an impartial approach and a mentality impervious to bribery--something which cannot be found among today's politicians and government spokesmen. But why? Why do we have this sudden change of heart when only a short while ago we found ourselves on reassuring forums where the voice of justice could be heard through the speeches of U.S. congressmen?

[16 Feb 83 p. 2]

[Text] Referring to Armenian terrorism, Turkish Foreign Minister Ilter Turkmen announced a few months ago in an uncompromising and haughty tone that governments friendly to Turkey would warn the Armenians and would halt their network of propaganda against Turkey. Turkmen also said that Turkey is neither inclined nor plans to make any concessions because, he emphasized, "an Armenian question cannot exist since no such thing as a genocide has taken place."

Only a year ago heated speeches were being made in the United States in connection with the Armenian genocide and 24 April was declared as the "day of genocide"

everywhere from Boston to Los Angeles. Now, in these same United States, it is being said that an Armenian genocide did not take place because that is what is required by that terrifying thing called politics.

Of course, it is ironic that in the name of freedom and independence this country embarked upon such struggles and threw itself into such fires in the past 25 years that even friendly governments frowned and spoke unfavorably in hushed voices. That is how the conflicts in Korea and Vietnam began and that is how the United States expressed its disapproval of the events in Afghanistan and Poland. But why such an illogical stance on human rights when successive presidents rose against such transgressions as a matter of honor and integrity and said...? Today, we find everything reversed in a strange mirror--human rights, human dignity and particularly human history. And all these are happening in our beloved United States where words are often recited in the name of freedom.

While political figures try to deny that the Armenian genocide took place, details about the same subject are taught in American schools probably with the hope that the future generations will be better informed about this real-life human tragedy and will prevent future similar beastly acts which caused suffering to Armenians as well as others.

On several occasions in the past, we have clearly expressed our opinion about acts of terror, and here we do not want to repeat the same lines over again in connection with these new developments simply to show how "puritanical we are." The truth is that every effort made for the defense of the Armenian cause and toward a logical resolution of the problem point to an absence of concern and interest. This absence of concern is often observed even by groups dealing in "terrorism" who want to show to the Western world that the apathy and indifference shown by them and the Turk are the main reasons behind the formation of such movements. Today, these "disapproved" groups come forth with such arguments and explanations in order to make the world understand that a policy of denial and disregard will not change the least bit the testimony of history and that the strategic position of the Turk will not have the same value and strength when the political world gathers around the round table. The Turk is solely using this geographical position to make the United States utter phrases and statements defying history.

It is sad, of course, that the United States is pursuing a policy of double standards, on the one hand making waves under the pretext of defending the human rights of the people of Afghanistan and, on the other, easily giving in to Turkish pressure and trying to disseminate a distorted history, disrespecting even the American historians. We are not surprised at what is happening; we only feel sorry. We feel sorry because a whole century has passed and has disappeared in the archives of history but the human sense of justice and conscience have learned nothing from the bloody experiences and the towering mistakes of the past. This, too, will come to pass just as all the innumerable mistakes made by the big powers in the past have come to pass.

As a nation with a propensity for learning, we thus continue to learn and be educated. Sometimes feeling sorry for our naiveté, we must strengthen ourselves for encounters we will have in the future.

That is how it must be; we have no other choice.

ARMENIAN AFFAIRS

FORMER PRESIDENT CARTER VISITS ARMENIAN SCHOOL IN DETROIT

Beirut ZARTONK in Armenian 22 Feb 83 p 2

[Report by A. Chelebian]

[Text] On Wednesday, 26 January 1983, former U.S. President Jimmy Carter and his spouse, Rosalyn, paid a visit to Detroit.

The purpose of their visit was to raise funds for the Jimmy Carter Library to be built at Emory University in Atlanta, Georgia.

Mr Carter made a speech at a dinner at the Detroit Club organized by Burroughs Corporation President Michael Blumenthal (who served as Secretary of the Treasury in the Carter administration).

Among the guests at the dinner were: Henry Ford II, industrialist Alex Manoogian and General Motors President Roger Smith.

Mr Carter visited the Manoogian school in Detroit at 2:30 pm. He was accompanied by Mrs Carter, Mr Alex Manoogian and Mr Set Momjian.

The honorable guests were met at the school by Headmaster Richard and Barbara Norsigian, Mrs Marie Manoogian, Mrs Joan Momjian, Mrs Jane (Richard) Manoogian, Mihran and Rosemary Hoplamazian, Richard and Paulette Apkarian, Yervant and Nora Azadian, Harry and Alice Terzian, Zaven and Gladys Margosian, Dr Berj and Alice Haysodtian, Mrs Esther Petersen and Mr Arthur Mardigian, the chairman of the board of trustees of the St John the Baptist church.

After a hearty and warm word of welcome and greetings by Headmaster Norsigian, the elementary school choir sang two songs, one in English and one in Armenian, under the direction of music teacher Minka Christophe.

The headmaster then invited Mr Carter to address the audience. [Mr Carter said:]

"One of the greatest privileges in this country is to become president and to live in the White House.

"One of the best experiences of my stay in the White House was the visit paid by several Armenian-American leaders.

"The Armenian genocide was one the most dreadful events in the history of the world whereby a plan to exterminate a whole nation was implemented.

"Remembering the events of the past we must be able to appreciate the present and to look with hope to the future.

"I am happy to be in a school that carries the name of one the greatest citizens of this country. What the Armenians have achieved in this country fills us with pride. The Armenians belong to that class of minorities in this country who want to adapt to the demands and conditions of this country while preserving their national traditions, pursuing their interest in their past and history, clinging to their religion and observing their rules of conduct in the family.

"As president, I had the opportunity to meet the leaders of this country. I was surprised to find out that there are so many Armenians in this country who occupy prominent positions in such diverse fields as industry, politics, science and culture.

"This school that is named after Alex Manoogian represents an opportunity for Armenian students to look into a bright future.

"During my presidency, pursuit of human rights was a primary issue for me, and I have always wanted to see that people live in peace and security without having the fear of persecution and insecurity in their hearts.

"My wife and I would like to thank you for giving us the opportunity to visit this school. Thank you."

After this historic visit to the Manoogian school, Mr Jimmy and Rosalyn Carter and their entourage then headed toward the St John the Baptist church.

The guests expressed their admiration for the beautifully carved and golden-domed St John the Baptist church in Southfield, which can be considered to be one of the best architectural structures of the Armenian Apostolic Holy Church.

After the visit to the holy place, the guests were led to the museum where they were guided through manuscripts and other valuable artifacts by the spiritual leader of the church, His Beatitude Archdeacon Paren VI Avedikian.

After the reception at the cultural hall of the church, Father Paren observed in an eloquent speech that the feeble survivors of the genocide of 1915 turned their eyes to the United States as a "country of conscience" and expected to hear the voice of justice. But, he said, unfortunately, the U.S. Senate turned its back on them, disregarding their cause and just demands. [Father Paren said:]

"Only President Wilson* showed sympathy for the suffering Armenian people and its cause. It was Jimmy Carter, the 39th fully empowered President of the United States, who, for the first time since President Wilson, raised his powerful voice to reinstate Paragraph 30 in the UN Genocide Report, who named Set Momjian as the U.S. representative to the United Nations, who invited Alex Manoogian to Washington to light a candle in memory of the Armenian martyrs, who declared that

the President's Genocide Commission could not be considered complete without an Armenian representative on it and who named Set Momjian as the Armenian representative to that commission."

Messrs Set Momjian and Alex Manoogian later expressed praise for the issues raised by Father Paren and Mr Carter's deeds and decisions favoring Armenians.

Mr Momjian related how 37 Armenian leading personalities and national figures visited the White House in 1977 and met with President Carter and said that more Armenians visited the White House during the Carter presidency than in the entire 200 years of American history.

Mr Alex Manoogian, President for Life of the Armenian General Benevolent Union, renowned national philanthrope and a personal friend of Carter, drew attention in his speech, among other things, to the Gomidas statue erected on Jefferson Avenue [in Detroit] in commemoration of the Armenian martyrs by the efforts of the Armenian community of Detroit and in particular thanks to a generous donation by Mr Michael Asarian.

Mr Manoogian observed that it was the first time in the history of the United States that a president of the United States visited a church of Armenia. He expressed the hope that there will be an Armenian section in the newly-built library at Emory University to house books, documents and objects related to the Armenian genocide, history and culture.

Father Paren presented to Mr Carter books about Armenian culture and history to be placed in the library at Emory University. Mr Manoogian presented to Mr Carter two miniature reproductions of the Gomidas statue, one to be placed in the Carter residence and the other to be displayed at the library at Emory University.

Mr Carter was the last to speak. He spoke with praise about the ethnic character of the Armenian nation and described it as a vivacious, hard-working and persistent nation which always looks to the future with hope and optimism. Mr Carter promised to provide in the library at Emory University a room for Armenians to be used for Armenian activities. Then he bid farewell amid heavy applause and left the hall.

*On 22 November 1919, a military delegation from the Armenian Republic headed by Gen Yakov (Hagop) Pakraduni and including General Antranig arrived in New York. The purpose of this mission was to ask for technical assistance from the U.S. government in order to train about 10,000 Armenian-American volunteers to defend the Armenian Republic against a likely Turkish assault.

When the Armenian delegation visited the White House, President Wilson sent word that "he sympathizes" with the Armenian cause and that, however, he would be unable to meet the delegates personally because of an "indisposition." Instead, Wilson sent his secretary Joseph P. Tumultane.

ARMENIAN CULTURAL, SOCIAL ACTIVITIES IN WESTERN COUNTRIES REPORTED

Beirut AZTAG in Armenian 25 Feb 83 p 4

[Text] In June, the Aram Khachadurian institution of France gave its first public performance which was attended by Arno Babajanian and Etvert Mirzoyan, the chairman of the musicians' union of [Soviet] Armenia. The founders of this institution tried to group together Armenian musicians of the area, to encourage Armenian music and to arouse interest among foreigners about Armenian songs and music.

Between 19 and 24 July, the 6th International Conference of Poets was held in Madrid. Invited to this gathering were Knarig Boyajian of Los Angeles and Alicia Giragosian, an Armenian poet formerly living in Argentina. Marie Liz Ghazarian was a member of the organizing committee of the conference.

The 1982 electoral conclave (10th conclave of the new period) of the Mkhitarian monastic order began in July. On July 16, Father Hovhannes Tertsagian was elected as the new Abbot Father for the next 6 years.

In Marseilles, the 50th anniversaries of the establishment of Armenian girl guides and the foundation of the Khrimian Hayrig school were commemorated with outdoors and official ceremonies. In November, the 50th anniversary of the establishment of the Holy Gregory the Illuminator Church of Beaumont was commemorated.

Around the end of the year, an interdenominational committee was formed in Geneva which called upon Turkey to elaborate on the work and arrest of Father Manuel Yergatian. The said call was signed by Swedish journalists and other leading personalities. Father Manuel was imprisoned on charges of waging anti-Turkish propaganda.

In October, a series of meetings entitled "The Armenian Cause Day" were held in one of the well-known guest houses of Munich. The series included a full meeting of the "Committee for the Defense of the Rights of the Armenian People", a general meeting dedicated to the Armenian problem and an evening dedicated to the German writer, Armine T. Wegner, who was a witness to the Armenian genocide. The "Defense Committee" was formed in March 1981 by the instigation and efforts of the Armenian Affairs Institute in Munich. The said committee is comprised of jurists, historians, political workers and ministers. Professor Felix (Ermagoran), an expert in international law, a member of the UN Human Rights Commission and a

deputy serving in the Austrian parliament, was elected as the new chairman of the said committee. In addition to various organizations working on the Armenian problem, the Armenian Affairs Institute of Munich also played an active role in the series. The efforts of this organization were primarily focused on internationalizing the Armenian problem.

Around the end of the year, the state dance ensemble of [Soviet] Armenia visited Western Europe. The level of performance of the ensemble appeared to have improved considerably. Foreigners also enjoyed the Armenian song and dance performances. According to critics, the performance of the ensemble needs further polishing to fully bring out its unique beauty.

Also around the end of the year, the "touring theatre group" of Vache Adruni gave its first performances in Marseilles and around France. The group staged the play "Have a Good Bath" by Bracinoggi and Riazanov.

From an Armenian perspective, it can generally be said that Western Europe recorded a certain amount of success in the course of the past year. The Greek-Armenian community was also active and displayed an alert attitude. As a general comment, we must say that in the past year all Armenian communities in Europe marked all of our national and revolutionary important dates.

Last year, Khecho Khachadurian died in Athens. Khachadurian miraculously escaped the Great Genocide and participated in the heroic battle of Sardarabad and the February [1921] rebellion [against Soviet authorities]. The obituary list in France last year included Haig Ghazarosian, Hagop Arakelian, Atelayta Mkhitarian, Boghos Korkigian and musician Nshan Serkoyan.

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ROLES OF ISLAMIC MOVEMENTS IN SUDAN, MALAYSIA DISCUSSED

East Burnham ARABIA in English No 18, Feb 83 pp 10-12

[Article by Fathi Osman: "The Radical Islamists in Nationalist Governments"]

[Text]

Islamic movements, especially the radical ones, have long maintained a policy that views secular nationalistic governments as positively evil – and taboo. Islamic activists might accept high administrative or technical positions, but not political responsibility. Even participation in public elections, either as candidates or as voters, has been a contentious issue among them, if the country had a secular national constitution. Swearing to defend such a constitution as a member of the parliament or the government is an unforgivable sin, according to the dominant thinking in many Islamic movements.

Sometimes it happened, however, that leading people who had been associated with Islamic movements felt justified in serving in cabinets with nationalists. They may have offered the formal justification that their country's constitution gave Islam as the state's official religion, or went further and laid down Islamic law as the source of legislation (although this principle might never have been effective). Alternatively, such people may find a practical excuse in their country's critical circumstances, whether internal or external.

To safeguard the Islamic movement's status, the member accepting cabinet office would perhaps announce his resignation – which may be purely tactical – from the organisation. In this way, it could avoid any side-effect of the government's policies and decisions, which every minister is supposed to participate in and to share responsibility for.

These were examples of that strategy and those tactics in the contemporary political history of the last civilian cabinets in Syria, and the first cabinet after the political change in Egypt in 1952. A minister in a later Nasser

cabinet was a prominent Islamic activist; a member of an early Sadat cabinet was associated with the Islamic movement as a university student. A minister in the present Jordanian cabinet has long had links with the Islamic movement, including a distinguished role in the glorious struggle of the fedayeen in Palestine in 1948. Examples can also be provided from Pakistan of a few years ago, just after the downfall of the Bhutto regime.

Nevertheless, all those actions may be described as individual, or in response to specific circumstances. They do not represent a change in the Islamic movements' general policy toward, or opposition to, the national state – especially if it is also secular. These actions represent tactics more than a strategy. Arguments to support such decisions would never dare to suggest this participation was in the name of Islam, or as an essential stage of a struggle for an Islamic state. It might represent sometimes a reformatory attitude through a dominant radical atmosphere, or perhaps support of a national coalition to deal with a specific crisis.

What seems new and significant to me, is the participation of some leaders – not merely leading persons – of Islamic movements in nationalistic governments, or at least governments that are nationalistic at present and are dominated by nationalists who may also be secularists. These leaders have not hidden for a moment their commitment to Islam in making their decision and in carrying out their political responsibility. They argue for their participation on Islamic – or let us say ideological, for the sake of clarification only – grounds.

These leaders do not support their actions on tactical grounds, or by pointing to special circumstances. They introduce reasons that may

represent a new strategy for the Islamic movement, and may merit consideration and be applicable in certain circumstances. One cannot assume that such leaders have made their decisions individually or personally, divorced from their organisations, or claim that they are of a "moderate" character.

IT IS NECESSARY to name whom we mean in discussing such a significant phenomenon in the contemporary Muslim movement. Those who are committed to, or informed about, Islamic movements will readily recognise that I am referring to Dr Hasan al Turabi, the General Guide (al Murshid al 'Am) of the Muslim Brotherhood in Sudan, who has been his country's attorney-general or justice minister for a few years, and Anwar Ibrahim, the former president of the Islamic Youth Movement in Malaysia (Abim), who was appointed a deputy minister in the Mahathir cabinet last year.

It may be significant that both men's countries have a large non-Muslim minority, namely the southerners in Sudan and the Chinese in Malaysia. In each, Muslims care about defending their interests justly, and meanwhile spreading Islam (dawah activities) in a reasonable way, according to the Quranic teachings "with wisdom and goodly exhortation" (XVI:125), which requires suitable circumstances.

The Muslims there have to face the accumulated results of colonial policies. In Sudan, the British sought to keep the southerners in their virgin region ignorant, heathen, undeveloped and completely separate from the Muslim northerners. In Malaya, the same colonists brought masses of Chinese to work for their plans of economic exploitation, and to provide another ethnic element beside the Muslim Malays. Both countries faced a kind of civil war, or internal instability, after independence because of these deeply-rooted contradictions, but they have managed to contain them in the end.

In spite of the contrived inhomogeneity of each country's population, the Muslims in both remain committed to their religion and to the maintenance of the Islamic character of their society and country. They may feel some psychological, economic or political threat from their partners in the country, or their co-citizens, but they have to handle the problems wisely. They insist on securing justice and equality – which are preached by Islam – and on removing any prejudice, because it would be meaningless to cure the injustice of colonialism by another injustice of independence, committed in the name of Islam. In addition to an essential care about social harmony and

solidarity, and to a wise practice of dawah, both peoples have to mobilise all material and human abilities for development.

IN SUDAN, Dr al Turabi has retained his ideological identity as the leader of Muslim Brotherhood. He has argued that his organisation suffered from a long persecution, and that it has to pursue its activities in relative stability. He himself suffered in jail for a long time, almost to the point of death, until some Muslim political leaders (such as the late Allal al Fassi in the Maghreb) wrote direct and open letters to President Numeiri about his deteriorating health.

Moreover, al Turabi thinks that Islamists should always gain experience in the practice of authority when a reasonable opportunity presents itself in the normal run of events. They should not bargain, flatter or act in a shameful opportunistic way in order to seize some authority, but equally they should not reject any respectable offer for participation and cooperation in serving the country. They do not suffer from the complexes and sensitivities of other politicians or leaders, because they aim to serve their country and gain experience in any suitable political field. Islamic activists cannot jump through a vacuum to create an Islamic state, without gaining considerable political experience during a suitable time before seizing complete authority, if they wish really to avoid a naive, immature and ambiguous conduct of the state when they can seize a full leadership of the country. In general, Islamic activists have to stick to the wide ethical principles of the divine Message dawah, and be cautious of being trapped by the narrowminded approach that condemns any cooperation with the present authorities as a betrayal and a deliberate damage to the inevitable revolution.

An Islamist on a minister's seat can talk directly to the prime minister and to the cabinet about the advantages that Islam can provide for the country in various fields, such as material and human development, social and legal justice, and internal and external security. He can work out with his colleagues under better circumstances of mutual understanding and cooperation, a reasonable and practical plan to Islamise the state gradually, without betraying the radical change that Islam should accomplish.

A participation in responsibility and authority would let Islamic suggestions be heard in a better way than when they are mailed or announced in public. On the contrary, a prolonged absence of Islamists from any policy-making position would give a chance for accelerated structural changes that increase, deliberately or otherwise, the alienation of the

people and the state from Islam. Any efforts of an Islamic minister in the public service would present a practical message to the people and the authorities about how Islam can benefit the people when it is in power.

The regime in Sudan has announced its intention to establish an Islamic state, and has carried out some preliminary arrangements in this way. A committee of experts, which was chaired by Dr al Turabi himself before he was a minister, has its characteristic way in the codification of Islamic law. Before enforcing the prohibition of alcohol, the committee ordered a survey about local wine factories, the wine importing trade, the capital invested and the workforce in both – so that it can be determined how to keep a part of the sector for legitimate uses (vinegar, alcohol for medical needs and so on) and to redirect other parts of it. However, the application of shariah would be suspended in the South as long as the majority there is non-Muslim.

Propagation of Islam in Southern Sudan has been entrusted to an experienced Sudanese activist, Dr al Tijani, who as a student in the US was once president of the Muslim Students Association there. Another Sudanese educationalist committed to Islam has taken on the responsibility of directing the Islamic African Institute in Khartoum, a body that tries to provide for the great potentials for spreading Islam in Africa.

In this way, it may be assumed that serious basic measures for the Islamisation of Sudan are being worked out, while consistent and comprehensive plans are carried out for the material and human development of Northern and Southern Sudan, and for strengthening the relations among the Sudanese people in both parts. The huge plans for the Jonglei Canal and the development of its area in the South, with its immense costs, may be representative and significant in this respect.

IN MALAYSIA, the approach of Anwar Ibrahim has been tactically different. He announced his resignation from the presidency of Abim, but his commitment to the organisation surfaces from time to time – such as in interviews, when he emphasises that he would not have thought of resigning from Abim unless he had been sure it would not harm it.

I think he does not express all that he believes: that Islam and Abim will benefit from his political position. Anyone who knows Anwar and Abim could hardly believe that his resignation was anything but purely tactical, and that it was not decided in conjunction with the organisation. In Malaysia, the mechanism of political balance between Malays and Chinese probably worked only in the early

days of independence for certain reasons – including the strong leadership of Tengku Abdul Rahman, who cared much about the Malays' interests, although he did not seem to be a committed Muslim.

However, Hussein Onn, the prime minister before Mahathir, was not such a strong leader, and this formula did not work. It led to an increasingly threatening Chinese influence in economics and politics. When Malays, who are also Muslims, reacted by proclaiming their Islamic identity – which is at the same time their (national) identity, as all Malays are Muslims – the Onn government tried to condemn the reaction as directed by "fanatics", an accusation that had been used several times before in other Muslim countries.

However, this policy of superficial and artificial national harmony, at the expense of Islam and the Muslim majority of the Malaysian people, led to public dissatisfaction, and to a decline in the popularity of the ruling party, UMNO, although it retained its majority in the parliament.

Mahathir has been well suited to containing this dissatisfaction. He had already made his mark as a young member of the party with his book, *The Dilemma*, in which he expressed his concern for Malays but counselled them in the meantime to carry out their duties if they wished to secure their rights.

His call seemed so genuine and impressive that Tengku Abdul Rahman thought that it had gone too far, and banned the book lest it harm relations between the Malays and Chinese co-citizens. As soon as Mahathir became prime minister, he announced a tough policy to maintain equality and justice in mutual commercial relations with the British. Building on his charisma, he began to mend his fences with the Islamic activists, a process that led to Anwar Ibrahim's nomination as an UMNO parliamentary candidate.

After his victory, Anwar was chosen as a deputy minister for religious affairs, a position attached directly to the office of the prime minister. Some reports have pointed out that he would be the leader of the youth organisation in UMNO, a position that promotes him automatically to be the vice-president of the party.

Meanwhile, Mahathir has announced his plans for establishing an Islamic university, teaching a course on Islamic civilisation within the curriculum of all schools at all educational levels, and opening an Islamic bank.

ONE MAY ARGUE that President Numeiri and Prime Minister Mahathir are gaining no less politically from their Islamic aides and supporters than these Islamists are, if not more. It is well known that the military regime

in Sudan is facing a difficult time, and that a final collapse is only prevented by the disunity of the opposition. Dr al Turabi has always to bear his political responsibility, as a member of the cabinet, for complete reversals of the president's policies from one extreme to another.

Dr al Turabi himself, as a minister of justice, was certainly puzzled when he read, while abroad on official business, that Numeiri had dismissed all the judges because they had certain demands – and had announced they were prepared to arrange a symbolic limited strike.

However, the judges were all suddenly returned to their jobs, probably by the efforts of the concerned minister. Dr al Turabi has been always genuine in emphasising the importance of liberty and the maintenance of human rights for every human being, and for Muslims and their activities as well. It is certainly a dilemma for the Islamic principles to which he is committed, to work for a military regime and an authoritarian president. He has to review his calculation continuously, to make sure that a true Islamic state would actually develop from the present approach.

In Malaysia, while the UMNO government since independence has won for the country some stability, and has overcome the violent communist activities, it has not been able to achieve a perceptible development of economic and human circumstances, especially among the Muslim Malays – the indigenous population of the peninsula before British colonisation.

There is a big gap at the material and human levels between urban and rural areas, as well as

between Malays and Chinese. The lingering provincial sultans and muttis, and the annual international competition of Quran reciters, are merely superficial cosmetics that cannot provide or maintain the real basis of an Islamic society and state.

Would the veteran politician be aiming to contain Muslim dissatisfaction through the dominant Islamic movement in Malaysia, in order to turn the activities that work towards an Islamic state to follow the complicated maze of scattered partial achievements without any radical change?

I BELIEVE that such considerations may reveal the enormous significance and gravity of this experience, but they do not support an absolute rejection on the grounds of Islamic principles.

The political practice is based mainly on *ijtihad*, within the general guidelines of the Islamic teachings. We are witnessing a new experience to draw out a contemporary strategy of the Islamic movement in a certain country according to the prevailing circumstances.

Different approaches have been practised in Iran, Sudan and Malaysia. We have to watch these difficult experiences seriously, objectively and patiently in order to reach a right judgment. We should keep in mind that the difficulties that Muslims and the Islamic movements are facing in Sudan and Malaysia, which have among their citizens large numbers of non-Muslims, deserve such responsible and serious attempts of *ijtihad* in order to figure out a strategy for the Islamists' practice of authority and *dawah* as well in suitable circumstances.

DEFENSE CHIEF NOTES PROGRESS IN ARMS BUILDUP

Cairo AL-AKHBAR in Arabic 2 Mar 83 p 4

[Article by Faruq al-Shadhili: "Marshal Abu Ghazalah: An Increase in the Effectiveness of Our Defensive Capability in Order To Preserve the Peace"]

[Text] Marshal Muhammad 'Abd-al-Halim Abu Ghazalah, the deputy prime minister and minister of defense and war production, declared "At this stage, we have to preserve our defensive capability and increase our effectiveness in order to preserve the peace which we have chosen and found to our satisfaction, and also to guarantee the freedom of our country's national will in full." He said, "We must join forces and preserve the safety of its territory by possessing deterrent power to prevent the uncalculated spread of disturbances and wars in this tense area in which we are living and to which we are connected."

That was part of the statement that Marshal Abu Ghazalah gave at the inauguration of the scientific strategy symposium to develop the system of conscription in the armed forces. He said "Our calculations must not be confined to probable threats from one of the directions around us, during this stage specifically. We must also take all directions into consideration, especially the direction of the integration state, the fraternal Sudan. The proliferation of directions of threats and the broad dimensions of the land area, along with economic considerations, add to the difficulty of the equation between what is necessary for our nation and the resources that are available. The optimum solution would be to preserve operative, advanced armed forces at a high level of mobility, along with a flexible, distinctive system of conscription that would respond to the deployment and advancement of our forces in times of crisis."

A Statement by the Assistant Defense Minister

Maj Gen Qadri 'Uthman Badr, the assistant minister of defense and chairman of the Organization and Management Authority, made a statement at the beginning of the symposium in which he said:

"The purpose of the symposium is to develop the system of conscription in the armed forces, on grounds that that is a national obligation dictated by the higher national interest in the light of the expertise gained from the October war and its aftermath, in addition to international resources and the expertise of major countries in this area in providing scientific methods that are in keeping with our circumstances and our nature. One should take into consider-

ation the fact that we have three times as many reserve forces as active ones. The conscription system organizes this trained human force, with sound planning, at an early stage, in conjunction with various international agencies, so that it will be possible to turn it into a force with a combat capability and high morale when it is diverted to war missions." The chairman of the Organization and Management Authority, in his statement, praised the role of the other state agencies in the proposed development plan and said it was necessary to provide leadership that had specific mobilization powers directly below the president. This naturally calls for a redevelopment of the conscription system in the armed forces and the recruitment department in accordance with scientific methods.

Maj Gen 'Isnat Abu Gharib also gave a speech on the current conscription system in the armed forces, and Maj Gen Mustafa al-'Abbasi talked about operation requirements in regard to mobilization.

Safwat al-Sharif, the minister of information, gave a speech on the role of the media in mobilization of the armed forces and Mukhtar Halludah, the chairman of the Mobilization and Statistics Agency, gave one on the role of the agency in mobilizing the armed forces.

The symposium lectures will continue today. Maj Gen 'Ali Sa'id, chairman of the Assistance and Supply Authority, will talk about the preparation of administrative insurance for the armed forces and its relationship to conscription. Gen Muhammad Nadi Sayyid Ahmad will give a talk on the laws and bills currently in effect in the area of mobilization and the preparation of the country for defense, and the method for developing it. Maj Gen Hasan Muhammad Hasan will talk about the optimum method for organizing the automatic recording of data on persons in the reserve.

At the conclusion, Maj Gen Qadri 'Uthman Badr, the assistant minister of defense and chairman of the Organization and Management Authority, will give a statement on the recommendations of the symposium.

Yesterday the symposium hosted Dr Jamal al-Janzuri, the minister of planning, Eng Jamal al-Sayyid, the minister of war production, Safat al-Sharif, the minister of information, Lt Gen 'Abd-al-Nabi Hafiz, the chief of staff, Vice Admiral Muhammad 'Ali Muhammad, the commander of the navy, Lt Gen al-Sayyid Hamdi, commander of the air defense forces, and a number of senior commanders and policemen.

11887

CSO: 4504/237

ARMY INCREASES CIVIL WORKS

Cairo THE EGYPTIAN GAZETTE in English 20 Feb 83 p 3

[Text]

THE Armed Forces will soon begin construction work on three new factories for the production of cement with a total capacity of 2.2 million tons yearly, and 24 semi automatic bakeries with combined turnout of 750,000 loaves daily according to Major General Monsen Sedki Project Assistant to the Minister of Defence.

He added that the Armed Forces would also establish a village for fishermen at el-Bardaweel Lake the first stage of which will be inaugurated on April 25 during celebrations marking North Sinai Governorate Day.

As regards the cement factories, Major General Sedki said that the first will be established in Cairo and will be financed by the Japanese Government. Japan is to extend L.E. 150 million for this purpose. The second and the third factories will be set up in Beni Suef and North Sinai Governorate.

Following the inauguration of the 24 semi-automatic bakeries which are now being built at Shubra el-Khaima, in July the

Armed Forces will establish a number of similar bakeries at EL-Amria in Alexandria Governorate, having a total capacity of 360,000 loaves daily said Major General Sedki.

Meanwhile the Forces plan to establish ten residential districts for its members during the coming ten years, the first of which will be built at Enshas in Sharkia Governorate he said. The other complexes will be established in Ismailia, Damietta, EL-Amria, Suez and Beheira he added.

Major General Sedki said the Armed Forces as part of its contribution to civil works serving projects included the five-year development plan will build roads in Sharkia and Sinai governorates and establish four flyovers in Cairo.

Next March the Armed Forces will inaugurate a bridge over EL-Sobat river in Sudan which will link the Sudanese northern and southern provinces. Parts of the bridge have been manufactured by the factories of the Armed Forces in Egypt, said Major General Sedki. — GSS

'ABD AL-NASIR'S DAUGHTER DEFENDS HIS REPUTATION

Cairo THE EGYPTIAN GAZETTE in English 18 Feb 83 p 3

[Text] MRS HODA ABDUL NASSER, income citizen of this country. daughter of the late President Nasser, has announced her relinquishment of the legal portion of her inheritance in the pension of her father. The eldest daughter of the great leader of the July 1952 Revolution moreover announced that the house in Manshiet el-Bakri, Helipolia, and the guesthouse in Ma'amara, Alexandria, which were allocated for the use of her mother and the members of the family by virtue of a People's Assembly decree, are at the disposal of the People's Assembly at any time the Assembly decides to take delivery of them.

The weekly magazine, *Al-Mussawara*, published parts of a letter Mrs Hoda Abdul Nasser sent to the People's Assembly member, Muntaz Nassar, independent, clarifying details of the personal assets of her father and the privileges her family enjoys. The letter enclosed a 30-page document which reveals new facts about the modest life of the man who lived for his people and died as any low-

included include five life insurance policies amounting in value to LE 8,000. This in addition to the old Austin car he drove on the night of the Revolution in July, 1952. The daughter of the late President was also keen to indicate that the death and legacy duties amounting to LE 280,633 (Two Hundred Eighty Egyptian pounds and Six Hundred Thirty Three millimes) was paid in full in conformity with current laws.

What did Nasser possess on September 28, 1970, the date of his death? *Al-Mussawara* posed the question and the answer came from the certified documents submitted by his daughter, Hoda. He possessed LE 3,718,372 (Three Thousand Seven Hundred Eight Egyptian pounds and Three Hundred Seventy Two millimes) in his account No 99-64226 in Misr Bank. He also owned a number of shares in public sector companies which he bought in contribution towards encouraging a number of national industries. The shares are still deposited in Misr Bank. Other possessions

As to the privileges the state conferred upon us, in addition to the house in Cairo and the guesthouse in Alexandria, these were confined to the amounts my father borrowed to build places for the residence of my sister and myself when we got married during his lifetime, Mrs Hoda Abdul Nasser said. She expressed her readiness to return to the government her share of the debt, LE 3,500, plus the interest that might be accruing so that nothing bad or malicious could be said about the honesty and integrity of her father. — GSE.

GUIDES TO HELP WORKERS ABROAD PLANNED

Cairo THE EGYPTIAN GAZETTE in English 23 Feb 83 p 2

[Text] The Minister of Manpower and Vocational Training Mr Saad Mohamed Ahmed has instructed his ministry's departments to conduct comprehensive studies on labour markets in order to write a booklet about what qualifications and experiences are required.

The booklet which will serve as a guide for Egyptian manpower seeking employment abroad, will also include salary scales, terms of contract and the procedures to be followed.

It aims to save Egyptian workers seeking employment abroad, the trouble of moving to various embassies and recruitment agencies in search for job opportunities in Arab and foreign countries, the Minister said.

This will also prevent workers falling into the hands of middle agencies and exploiters, the minister said, adding that the booklet will include all information needed by anyone seeking employment abroad.

Many Egyptians have fallen victims of so-called recruitment agencies. They sign work contracts, which later prove to be forged, in return for huge sums of money they have had to borrow.

The first directory issued in this regard the Minister said dealt with job opportunities in Greece in order to brief Egyptian workers on all information connected with jobs terms of contract, salary scales and procedures to be followed.

Quite a few Egyptians are working in Greece, particularly in the shipping industry and marine services, the Minister said. He added that the second booklet would be prepared on Qatar and would be issued within two weeks.

Separate directories including all information on job opportunities in each Arab country will follow, Mr Ahmed said.

Egyptian manpower working in Arab countries is estimated at about 3 million, of which approximately 1 million are in Iraq alone. Arab petroleum countries are manpower attracting countries which due to their development plans have to recruit skilled labour and experts from all over the world.--BSS

CSO: 4500/119

INTEGRATION FUND ATTRACTS ARAB CONTRIBUTORS

Cairo THE EGYPTIAN GAZETTE in English 24 Feb 83 p 2

[Text] The Integration Fund will have \$500 million dollars during the first five years of the integration process. The fund is to be provided by the two countries, each paying half according to Dr Nazih Deif, Secretary General of the Integration Fund.

The first contribution will cover one third of the total capital, he said, and there are Arab and foreign offers to contribute capital for the fund.

An indication of good Arab intentions and support of the integration move was reflected in the initiative of Sheikh Saleh Abdalla Kamel, a Saudi millionaire who has offered to establish Al-Baraka company for agricultural development with a total capital of \$5,000 million.

A number of Arab investors led by Sheikh Kamel will contribute about half of the capital while both Egypt and Sudan will have to provide the other half. This was announced following a meeting with presidents Hosni Mubarak and Jaafar Numeiri in Khartoum last Tuesday.

Dr Deif, defining the activities of the fund, said the capital required for feasibility studies for projects in both countries will be provided by the fund, as long as the public sector companies undertake to finance and implement the projects, in view of the needs of the development plans in Egypt and the Sudan.

Meanwhile, the Secretary General of the Higher Council for Integration, Mr Abu Bakr Osman Seleh, yesterday announced that the Council approved the formation of five committees to undertake planning, financial affairs, services, constitutional and legal affairs and people's organisations.--GSS

CSO: 4500/119

COSTS FOR NEW SEWAGE SYSTEM ASSESSED

Cairo THE EGYPTIAN GAZETTE in English 8 Feb 83 p 2

[Article by Hassan Amer]

[Text] The total costs of the new sewage network to be set up during the five year development plan is expected to come to LE 3,400 million, the Minister of Planning, Dr Kamal el Ganzouri said yesterday in a lecture he gave to the Business Club.

The talks recently held between President Hosni Mubarak and the US President Reagan in Washington, were very fruitful and had some basic results with regard to planning issues, the Minister said.

During the economic talks, Mr Reagan expressed the US administration's understanding of Egypt's need for economic planning in order to control development and sustain equilibrium among the different sectors, the minister said.

The US Administration will provide support to the Egyptian economic plan and will also adjust the economic aid programmes in line with the plan Mr Ganzouri said adding that the US will provide support for all projects related to the rebuilding of the service network sewage and water utilities.

If the plan is to be implemented within 1,700 days, this means that the government spend LE 2 million on these projects daily, the Minister said.

Speaking of his Ministry's plans for the next few weeks, Mr Ganzouri said he was going to have field dialogues with the ministries concerned over the time schedule for the implementation of the plan's projects.

Dr Ganzouri said he saw production of building materials, especially cement, bricks, electric power stations, industrial production requirements and food stuffs, as the ministry's most pressing concerns.

CSO: 4500/118

PROBLEMS WITH DRINKING WATER IN BANI SUWAYF DESCRIBED

Cairo AL-AKHBAR in Arabic 27 Feb 83 p 7

[Article by Buthaynah Zakariya: "The City of Bani Suwayf Opened up a New Drinking Water Plant and It Shut down after 10 Months because of Technical Defects!"]

[Text] A strange breakdown has occurred in the city of Bani Suwayf. Just 10 months after the inauguration of the new drinking water plant in the city, the plant was shut down, and the city's local council sent out urgent telegrams asking for help from Dr Mahmud Kamil al-Rayyis to save the situation before the summer came and the inhabitants faced a water shortage. Faced with these appeals for help, the governor called in the chairman of the National Potable Water Authority to repair the breakdown at once.

The story of this plant, which had been inaugurated just 10 months earlier, goes back 12 years, specifically to 1970. At that time, it was decided to establish 27 drinking water plants throughout the republic as part of a Szech loan at a cost of 3 million pounds. The city of Bani Suwayf was given one of these plants in order to solve the drinking water shortage there.

The plant actually was constructed. It started operating just 10 months ago. After the inauguration process, flaws started to become apparent in this plant. It became clear at the outset that its capacity was not adequate to cope with the town's drinking water requirements, since the population was much smaller than it is now when it was selected and the anticipated future population density was not taken into consideration when it was selected. It would have been possible to be silent even about this essential flaw had the new plant been working at its regular capacity. Directly after the startup process, it became apparent that there were fundamental flaws in the structure, first of which was the presence of many cracks in the sedimentation pond and the distribution well, and that there were large flaws in the filters. The water inlet had not even been completely laid yet, and the same was true of the bridge that was to be built to carry the water pipes. As a result of these flaws, the plant was incapable of operating at adequate capacity; in addition, these flaws also caused stagnation in the population's water supply and made it unfit for drinking in light of the numerous algae in it. Therefore, the officials, after confirming that the water was unfit from health reports, were compelled to shut the plant down.

Dr Kamil al-Rayyis, the Governor of Bani Suwayf, summoned officials in the Potable Water Authority and the company constructing the project, the Industrial and Engineering Projects Company, to repair these flaws. Although these summons were made a long time ago, and the governor received a promise that these flaws would be remedied at once at that time, nothing has been done yet.

The most serious thing about these flaws, as Eng Milad Sidhum, manager of utilities in the city council, says, is that the plant lacks the necessary equipment for the safety of the people working in it and that a number of considerations are needed to operate it; first, it is necessary to lay the water inlets, and that must be done before the summer season comes, in order to cope with the increase in water consumption. It is also necessary that Szech experts be sent to evaluate and operate the measuring equipment to guarantee operating competence, as called for by the agreement in accordance with which these plants were imported.

The manager of the facility says that had it not been for the existence of the old plant, the city of Bani Suwayf would now be facing a serious drinking water shortage because of the shutdown of the new plant, which was constructed only 10 months ago.

11887

CSO: 4504/237

PRIVATE SECTOR TO GET BIGGER ROLE IN DEVELOPMENT PLAN

Cairo THE EGYPTIAN GAZETTE in English 15 Feb 83 p 2

[Text]

THE private sector will be allocated LE 8,300 million in the five-year development plan 1982-1987. During the last five years it was only allocated LE 3,300, according to the Minister of Planning Dr Kamal el-Ganzouri.

Speaking during yesterday's session of the monthly meeting of the Egyptian Businessmen's Society, Dr el-Ganzouri said that the private sector is a full partner to the public sector in the five year plan projects.

The Minister also said that funds allocated for the public sector under the development plan will come to LE 2,720 million with an increase of only 70 percent over the funds of the past five years.

PRODUCTION

The five-year plan aims principally to increase domestic productivity, especially in the fields of agriculture, industry, energy and reconstruction, this in order to increase Egyptian exports, said the minister.

The plan will concentrate on developing these sectors because their average growth rate during the last five years was not more than 5.8 percent annually, said Dr el-Ganzouri. He added that the plan aims to increase the growth rate to 8.5 percent annually.

He added that the drinking water and sewage sector will require LE 3,400 million under the five year plan as against LE 720 million extended to the sector during the period from 1960 to 1980. — MEN.

CSO: 4500/113

FUNDING TO BOOST TEXTILE OUTPUT SET

Cairo THE EGYPTIAN GAZETTE in English 15 Feb 83 p 3

[Text] THE five year development plan allocates LE 924 million to boost cotton textile and yarn production. The plan also gives first hand priority to production of ready-made clothes, the Minister of Industry, Mr Fuad Abu Zaghia said yesterday at the People's Assembly.

Replying to a number of queries at the People's Assembly yesterday, the Minister also said that LE 28.324 million had been earmarked for the Middle Egypt yarn companies.

Mr Abu Zaghia also said that some 23 yarn machines will be purchased to promote and modernise the Fayyum yarn plant with a view to cutting costs and increasing production.

Speaking of the poor production of the Fayyum yarn plant, and the high quantity of stock and refuse, the Minister said that in 1981 and 1982 the plant produced 4,485 tons instead of the targeted 4,722 tons.

The left over in stock at the end of last month, came to 1,024 tons of which 564 tons will be exported to the Soviet Union, Mr Abu Zaghia said.

In response to another query about the deterioration of production in public sector spinning and weaving companies, the Minister said a plan had been drawn up to rehabilitate these companies so that production can be increased.

He added that the ministry participated in manufacturing ready-made clothes as from 1982/1983 with a view to making available low priced clothes for low income citizens.

Following the Minister's reply the People's Assembly approved the formation of a fact-finding committee to report on why the spinning and weaving industry has deteriorated.

The minister also denied reports that a number of industrial companies would be incorporated into one company adding that the appointment of board chairmen of companies in similar vacancies does not mean company amalgamation.

GSS.

CSO: 4500/118

NO MORE FACTORIES TO BE PERMITTED IN CAIRO

Cairo THE EGYPTIAN GAZETTE in English 22 Feb 83 p 2

[Text]

THE Shura Council yesterday are to be renovated soon and resumed its discussion of the their residents will be transferred report prepared by the services to el-Salam City which has recommended at the council, on cently been provided with various cleaning and environmental projects, added Mr Rashwan.

The Minister also said that

Commenting on the members about LE 3,500 million had been discussions the Minister of allocated in the five-year development plan for sanitation and Mr Mohamed Rashwan mentioned drinking water projects

as that the Investment Authority would not approve the building. Cairo governorate he said had of any more factories in Cairo. previously issued a number of decrees about cleaning the city. The authority aims to encourage people to live in the newly established cities outside Cairo, he explained. All districts are to be provided with large garbage containers and those in charge of cleaning

Some old districts in Cairo are to be paid. — GSS

CSO: 4500/119

CAR PRODUCTION ACCORD SIGNED WITH INDIA

Cairo THE EGYPTIAN GAZETTE in English 22 Feb 83 p 3

[Text]

AN agreement has been concluded between Egypt and India to start up a joint venture for manufacturing small three-person cars which are efficient cheap and have low fuel consumption. The Minister of Industry, Mr Fuad Abu Zaghla, yesterday told youth leaders studying at the NDP Leadership Institute at Salam city.

The Minister also said that prices of basic commodities manufactured by the ministry's firms will be fixed according to manufacturing costs and workers' profit margin.

He added that about 400,000 workers would be given employment annually in the industrial sector. This is how many men are actually needed to provide extra labour for the five year development plan projects

Speaking about the agreement with India for the new car the minister said the first of these cars would be on the local market before the end of the year.

In view of his ministry's plan in the field of manpower, the minister said a plan had been set to establish some training centres using the most up-to-date technological standards.

This the Minister added, will be in collaboration with the polytechnic sector of the Ministry of Education with a view to increasing workers' productivity and providing Arab and African countries with Egyptian skilled manpower.

At the end of the meeting, the Minister affirmed that the production of ready-made clothes

would follow international specifications so as to be just as good as foreign clothes. By the end of the five year plan, we will have surplus output of ready made clothes for export Mr Abu Zaghla concluded.

Also speaking before the youth leaders at Salam City, was Sheikh Ibrahim el Desouki the Minister of Wakfs who said that his ministry, in collaboration with the Higher Council for Youth and Sports would undertake an orientation and awareness programme for workers in factories and for young people in their schools and institutes.

New classes for the Holy Koran recitals will be opened in the mosques in collaboration with Al Azhar, the Minister said — GRS

CSO: 4500/119

RESTAURANTS TO GET NO MORE SUBSIDIZED FLOUR

Cairo THE EGYPTIAN GAZETTE in English 11 Feb 83 p 2

[Text]

Hotels, restaurants and casinos will no longer have access to subsidized flour, according to a ministerial decree issued by the Minister of Supply and Home Trade, Mr Ahmed Noun.

The decree puts an end to controversy about the right of such establishments to use subsidized luxury class flour which is purchased at relatively low prices and sold in the form of finished foods at excessively high prices.

The decree is also aimed at removing bottlenecks in the distribution of fine quality flour which creates a shortage for ordinary consumers. The public has been complaining of the disappearance of such kinds of flour as hotels restaurants and casino purchased larger and larger quantities from the market.

For such establishments, the decree provides for quotas in special packaging which can be collected at unsubsidised prices

from the Ministry's store. The decree moreover forbids bakeries and flour mills from dealing directly with such establishments without prior approval from the Ministry of Supply.

The penalty for any violation of the decree ranges from three-month to two-year prison terms and fines ranging between LE 100 and LE 500. The penalty also provides for sequestration of the quantities of fine quality flour seized.

In the event of recurrence of the same violation, the establishment committing it will be liable to 6-month closure. Meantime the difference in prices will be collected from violators.

The decision taken by the Ministry of Supply coincides with the procedures currently being adopted to ensure that the low-income classes of the community enjoy the benefits of the food subsidies extended by the state. — GSS

CSO: 4500/118

DOMESTIC ELECTION POLITICS ANALYZED

Tunis AL-RA'Y in Arabic 4 Feb 83 pp 8-9

[Article by Rashid [name illegible]: "Morocco Living in Partisan Card-Shuffling Period; Preparing for Electing New Parliament; Will Morocco Find 1983 Compromise Formula Between 1975 Unity and 1981 Crisis: Nearly All Opposition Parties Find Themselves Between Two Fires: Fire of Economic Crisis and Government's Fire"]

[Text] The new story in Morocco these days is the start of the preparations for the parliamentary elections which will most probably take place next June. These elections will witness a modification in the list of competing parties now that Prime Minister Maati Bouabid has declared his plan to form a new party and that he has made his tour which ended on 23 January 1983 and during which he visited a number of the important provinces to introduce his party and to win supporters "among the youth and the cadres."

The other modification in the parties' structure is the one that has developed in the majority party--the National Rally of Independents--which is led by former Prime Minister Ahmed Osman. This party has split and the Independent Democrats current has broken away from it. The 50 Independent deputies have split between the two parties.

The third important phenomenon is the weakening of the Socialist Union of the People's Forces as a result of the trial of many of its leaders and the closure of its daily, AL-MUHARRIR, and its weekly, LIBERATION. This weakening entails grave consequences that may undermine the opposition's position in the elections, considering that the Socialist Union is the main opposition organization.

Bouabid Faces Traditional Formations

The prime minister does not conceal his wish to win over some of the historical figures and he is wagering on attracting elements from the National Union of Popular Forces in which Bouabid himself was a member. This union split in 1972 and the Socialist Union in which Abdelrahim Bouabid holds the position of secretary general broke away from it whereas the Casablanca branch continued to bear the union's old name.

This open endeavor to clip the wings of the Socialist Union comes at a time when the Socialist Union has begun to regain its breath and gather its forces

in preparation for the coming election campaign. The Socialist Union's 14 deputies have regained their seats in the parliament from which they had withdrawn in protest of the 1981 referendum that extended the life of the current parliament from four to six years. The return of the deputies was done on an individual basis at the beginning and it was then decided officially to reactivate the Socialist Union's bloc in the parliament so that it may act in the party's name. The party's leadership circles explained this decision by saying that the party no longer had any means of political activity because of the closure of its newspaper and of the continued banning of the unionist organization that is close to it, namely the Democratic Labor Confederation, from engaging in any activity. This compelled the Socialist Union to use the parliament as a podium from which to declare and explain its positions to the public opinion.

However, this tense situation is likely to relax since the ice was broken between the palace and the Socialist Union leadership when the king met with the Moroccan opposition leader who explained to him the difficulties facing his party (the Socialist Union of the People's Forces), including the ban imposed on AL-MUHARRIR and LIBERATION.

Senghor had met with Mehdi Alaoui, the member of the Socialist Union's Political Bureau and the party's number three man behind Bouabid and Yazghi (the head of the parliamentary bloc and the manager of AL-MUHARRIR) and then with King Hassan from whom he obtained a promise to stop all the acts of harassment aimed at the Socialist Union since the Casablanca events in June 1981.

This rapprochement between the king and the number one man in the Socialist Union comes after a series of signals made by Bouabid in the direction of the palace, including Bouabid's support for the efforts the king exerted in Washington in his capacity as the chairman of the [Arab League] seven-member committee.

All these signs indicate that the Unionists are regaining their previous position in preparation for the election campaign.

Grumbling in "Istiqlal"

As for the Istiqlal Party which holds a number of ministerial portfolios in the present cabinet, its leaders are complaining of the impact of the economic crisis which Morocco is experiencing at present on the party's bases that have begun to demand that the leadership organizations take positions less supportive of the regime. At the meeting of the party's National Council, M'hamed Boucetta, the party secretary general, announced in his statement (read on his behalf by Abdelkarim Ghallab) to the participants the need to stay clear off despair insofar as the troubled economic situation is concerned, but enumerating at the same time the aspects of the economic crisis being experienced by Morocco.

This situation is not confined to the Istiqlal Party because nearly all the opposition parties find themselves squeezed between two fires: The fire of

the economic crisis which motivates the parties' bases to pressure their leaderships to embark upon large-scale movements against the regime's policy and the fire of the government which demands that the opposition parties offer proof of their moderation and of their respect for the legitimate government in order that their political rights may be restored to them gradually before entering the elections phase. The opposition leaders find themselves in a difficult position because of the acute nature of the economic crisis and the pressure of the bases. There is no doubt that Prime Minister Maati Bouabid is wagering on this situation to attract the "youth and the intellectuals" to his party. But it is illogical for the "angry" to leave their parties, which are opposition parties, to join a party headed by the prime minister.

Sole Seat

In addition to the Istiqlal, the Socialist Union and the Liberals, there is another opposition party which is preparing to wage the elections campaign, namely the Party of Progress and Socialism (the Communist Party) which is headed by Ali Yata who holds the sole communist seat in the parliament. Of all the opposition forces, this party is the only one that is issuing two dailies in Arabic and French, neither of which was suspended after the Casablanca incidents, unlike the Socialist Union.

In addition to the Communist Party, there are other leftist forces in the arena, such as the faction which issues ANWAL (the name of a major battle led by Abdelkarim Khatabi against the colonists) and other factions that publish other magazines and periodicals, such as AL-JUSUR, AL-MUQADDAMAH, AL-ASAS, LAMALIF and others. But it is not known if these currents will get involved in the election arena or not.

Shuffling and Arranging

Generally, Morocco is going through a partisan card-shuffling period. This is logical before entering the elections race because each side is preoccupied with counting its supporters and organizing its lines. But observers who are well informed with the secrets of Moroccan politics expect the king to use the "national unity" and "defending the unity of the soil" card to emerge victorious in the elections, even if his prime minister's party fails. The bridges that have begun to open between Algeria and Morocco, the numerous mediations and the talk about the possibility of arranging a referendum in the Western Sahara indicate the possibility of the restoration of the 1975 "national unity" formula. The palace hopes that this formula will rearrange the house's affairs and will close the window of the political crisis which was opened by the 1981 Casablanca events.

But the critical economic situation this year and the rising prices, beginning with energy prices and ending with the prices of services and daily consumer goods, have introduced a difficult element into the political balances and have made the possibility of restoration of the 1975 formula a remote one. Will Morocco find in 1983 a compromise between the 1975 "unity" and the 1981 crisis or will the field calculation be different from the threshing floor calculation?

OMDURMAN: SECURITY CHIEF BRIEFS KENYAN PRESIDENT

EA200044 Omdurman Domestic Service in Arabic 0430 GMT 19 Mar 83

[Text] Maj Gen 'Uthman (al-Sayyid), director of the External Security Department of the State Security Organ, yesterday delivered a letter from leader-President Ja'far Muhammad Numayri to the Kenyan President Daniel Arap Moi and held discussions with him which he (al-Sayyid) described as very successful.

In a statement to SUNA in Nairobi, Maj Gen 'Uthman (al-Sayyid) stressed that his talks with President Moi in Nakuru had concerned various aspects of bilateral security and safety. He said that President Moi assured him that Kenya will cooperate with Sudan in every way and expressed the wish for further meetings between the Sudanese and Kenyan sides on strengthening relations.

The meeting was attended by Sudanese Ambassador to Kenya Mr Ibrahim Taha Ayyub, and the acting consul, 'Uthman Nuri.

Maj Gen 'Uthman (al-Sayyid) held a similar meeting with Mr Robert Ouko, Kenyan foreign minister, on matters of common interest.

It is worth mentioning that Maj Gen (al-Sayyid) left for Nairobi with President Numayri's message to President Moi last Wednesday [16 March].

CSO: 4500/153

POLITICAL, ECONOMIC SITUATIONS REVIEWED

East Burnham ARABIA in English No 18, Feb 83 pp 23-32

[Article by Abdelwahab el Affendi: "Sudan's Search for a New Approach"]

[Text]

SUDAN extends from the southern border of Egypt to the northern border of Uganda and reaches from Chad to the north of Ethiopia. The greatest north-south distance is approximately 1,300 miles and east-west 950 miles. The largest country in Africa, Sudan covers 2.5m square kilometres. Population is 18.4 million.

The Sudan House of Representation voted on December 19, 1955, to declare Sudan as an independent state, thus ending foreign domination that began in 1899.

Sudan has 15 provinces. Legislative power lies with a People's Assembly of 304 members. The president nominates 30 and 274 are elected for four years by universal adult suffrage. Executive power rests with the president. Recently, regional devolution created six parliaments and governments in the country.

Sudan is predominantly agricultural. Agriculture accounts for over 40 per cent of the gross domestic product. Wheat and dura (great millet) are the principal grain crops. Sesame and groundnuts are other important crops. The main export crop is cotton. Sudan's chief imports are base metals, vehicle and transport equipment, machinery and petroleum. Two western companies are now engaged in further oil exploration in the southwest of the country.

In 1978 a six year development plan was adopted which envisaged a total investment of \$2.67bn. Major investments are in agriculture, industry and education.

Education in Sudan is free and compulsory up to the age of 13. In 1980, there were 4,000 primary schools, 700 general secondary schools, 80 academic higher secondary schools, 15 vocational schools and 15 primary teachers training colleges.

There are five universities. Khartoum University is the largest with 10 faculties. An Islamic University has also been established at Omdurman. A third university is at Juba and a fourth at Gezira. Besides, there are various technical post-secondary institutions as well as professional and vocational colleges. Arabic is the national language but English is also common.

The country's major cities, Omdurman, Khartoum North, Wad Medani, Kassala, El Obeid, Athara, Juba, Nyala, Sennar and Kosti are linked by road and rail.

GNP is estimated at \$7bn, 45 per cent of it coming from agriculture and just 10 per cent from industry and mining.

An Uneasy Sort of Nationhood

The recent 27th anniversary of Sudan's independence on January 1 passed without celebrations or the expressions of "national pride" that have been traditional. Partly, this was a result of President Numeiri's government spending cuts and the country's economic plight. But, basically, public opinion now views with bitterness the whole experience of "national rule" that has failed in all

aspects of Sudanese life, whether under military or civilian rule.

At the time of independence in 1956, the institutions created by the British in Sudan were held in high regard by the Sudanese. They soon changed their view. On the eve of independence, the civil service was regarded as well-developed, with a reputation for efficiency and honesty. The parliamentary system enjoyed

the confidence of the people and their leaders. The army was a professional institution, apparently apolitical. Indeed, there was a popular notion then that the Sudanese were by nature "democratic" and that the Westminster model perfectly suited them.

However, parliamentary democracy was soon swept aside by General Abboud's military coup, in November 1958. To most Sudanese, the coup came as a relief after the wrangling of the political parties and their failure to meet popular post-independence aspirations.

General Abboud assured the country that his aim was the restoration of stability: sound administration at home, and cordial relations with the outside world. For politicians, and those Sudanese who prized the western-style political institutions, the coup – and the subsequent suspension of the constitution and dissolution of parliament and all political parties – was a serious setback.

At first, there was no sign of active opposition to the regime. The two Saveds gave their blessing to the new government, on the understanding that the army would stay in power no longer than necessary to restore stability. But the officers held on firmly to their power, and soon after the coup many signs of corruption appeared.

Discontent was fuelled by the feeling that the country's financial difficulties were not solely a result of the year's poor cotton crop, nor of over-ambitious development plans. In short, people no longer trusted the regime.

Therefore, when the students started their campaign against the government they found support from the civil service, the judiciary, university staff, workers and some younger army officers. When a general strike was announced in October 1964, the revolution was already underway, and the response was both strong and complete. General Abboud, forced to negotiate with a committee for public safety, surrendered power.

Hopes were high after the October revolution both for a peaceful settlement over southern Sudan – the most burning of the issues that led to the revolution – and for the restoration of civilian government on a more durable basis. These objectives, along with such principles as the independence of the judiciary and of the University of Khartoum, were spelled out in the National Charter. This also provided for the election of a Constituent Assembly, both to draft a permanent constitution and perform the usual functions of a parliament.

A provisional government took over. It restored the freedom of the press, declared a general amnesty in the South and invited all

political parties in the North and South to participate in a round-table conference aimed at solving the problem of southern Sudan peacefully.

When no general agreement was reached, the country's constitutional future was referred to a twelve-man committee, on which all parties were represented. This body, and the subsequent conferences of the political parties, proposed that Sudan be divided up into nine regions, each with its own parliament and executive, within the framework of a united Sudan. This was finally embodied in the draft constitution submitted to the Constituent Assembly in 1968.

However, other factors were undermining the political consensus reached on the southern problem and on civilian rule – for example, the inter-party disputes about whether the executive should be presidential or parliamentary. The other controversial issue was whether the constitution was to be Islamic or secular. The Islamic Charter Front, supported by the Umma Party, the NUP and the PDP, campaigned for a constitution based on Islamic principles. The Communist Party and its leftist allies, with other secular groups and southern parties, resisted this. The interesting exception was Sayed William Deny and his faction of Sanu, who supported the Islamic constitution because it guaranteed freedom of worship and political expression and regional autonomy for the South.

But the Constituent Assembly not only failed to carry out its basic functions, it also precipitated two constitutional crises that, together, brought the regime to the point of collapse. The first was the banning of the Communist Party and the unseating of its 11 Assembly representatives in November 1965. This act was contested in the courts, and ruled illegal in December 1966. However, the Assembly, acting in its capacity as constitution-maker, over-ruled the court's judgment. The result was a constitutional crisis in which the judiciary and the Assembly confronted each other.

The second crisis began in January 1968, after the government had been defeated by the opposition on several occasions. The government dissolved the Assembly, an action that the opposition campaigned vigorously against. The opposition contested its constitutionality before the courts, and sent memoranda to the administrative heads of government departments (including the armed forces) to inform them of their views. Before any judgment was pronounced, however, new elections in April 1968 brought a new Assembly into office.

These constitutional crises were compounded by acute political disagreements

Between June 1965 and May 1969, four separate governments were formed and fell, each one a coalition racked by internal dissent and disputes. Meanwhile, the country's economy continued to deteriorate, and the problem of the South reached the point of confrontation between government forces and Anya Nya rebels in which hundreds were killed. The result was such general disillusionment that the key question for Sudanese was no longer whether the existing set-up could be saved but which alternative should be implemented.

Therefore, few Sudanese were surprised when, on May 25, 1969, Colonel Gaafar Numeiri assumed power and no one rose to defend the old regime. From the start, the new regime's socialist orientation was clear, and the Communist Party and its supporters enjoyed a dominant position in government and policy-making.

Under this leadership, the country now became "The Democratic Republic of the Sudan." Banks, and a wide variety of companies, were nationalised. The property of certain individuals, including members of the Mahdi family, was confiscated. Several leaders of traditional parties were charged with bribery and corruption.

After an attempt on Numeiri's life, the main figure of opposition to the regime, Imam al Hadi al Mahdi, who had for some time been gathering weapons and supporters at Abu Island on the White Nile, was crushed in March 1970.

With regard to the South, the regime adopted a policy of regional administrative autonomy, supported by a programme of economic development and reconstruction on socialist lines. A special ministry for foreign affairs, under the guidance of a Communist, was created.

In November 1970, Presidents Numeiri, Qaddafi and Sadat announced that Sudan, Libya and Egypt would unite into a federal state. This was unacceptable to the Communists, and growing mistrust and hostility ended in a Communist coup bid (led by Major Hashim al Ata, a Communist officer) that deposed Numeiri on July 19, 1971. Subsequently, 30 officers were liquidated by the Communists.

The Communist coup proved abortive, however. Its proclaimed head of state, Colonel Babiki al Nour, and his lieutenant, Major Farug Hamadalla, had been in London. On their way home, the plane carrying them was forced down in Libya. The Libyans later handed them over to Numeiri after a popular rising had brought down the Communist

regime within three days of the putsch and reinstalled him. A massive purge of Communists followed, and 14 were executed.

These events concluded the first phase of Numeiri's regime. His popularity rose rapidly after the coup. When the first presidential elections were held in October 1971, he received more than 90 per cent of the total vote. After the elections a new government was formed, the Revolutionary Command Council was dissolved and the Sudanese Socialist Union was recognised as the country's only legal party.

In March 1972 came the vital Addis Ababa Agreement, between the Sudanese government and the Anya Nya southern rebels. It settled the long-standing dispute and civil war on the basis of regional autonomy for the three southern provinces.

At the national level, more pragmatic policies gradually replaced the earlier socialist policies and slogans. In January 1973, a presidential decree repealed the previous orders of expropriation, and a policy of denationalisation was inaugurated. Laws encouraging foreign investment were passed, and a strategy to put western technology and Arab petrodollars into Sudan's vast agricultural potential was launched.

In August 1973, the regime faced a popular uprising organised by elements of the "National Front" that had been formed in London in July 1969 by the Ansar, the Unionists, the Muslim Brothers and other Sudanese. When the uprising failed, the opposition leaders began to plan for a military takeover using forces who were being trained in Libya and Ethiopia as early as 1970, with the support of some Sudanese army officers.

This attempt also proved abortive. But unlike the July 1970 coup, it resulted in a tilt in the regime's practices towards the right. It realised that it could not continue to rule without coming to terms with the opposition, which was growing rapidly in influence both inside and outside Sudan.

Also, Numeiri began to raise Islamic slogans and adopt some Islamic policies that appealed to those sectors of the National Front. All this, plus the internal conflict within the National Front leadership, induced the major elements of the opposition – the Ansar, the Unionists and the Muslim Brothers – to start negotiations with the government. These finally produced an unwritten agreement of some six or seven principles, reached in the famous meeting of Sadiq el Mahdi and Numeiri in 1977. This began the new phase in Sudanese political history called National Reconciliation, which continues shakily.

– Abu Bakr Y Shigetti

The In, Out, Up, Down Economy

Members of the Sudanese People's Assembly (the country's parliament) made history last November. For the first time in its nine-year history the Assembly's economics committee recommended that Assembly members reverse a major government decision. They did so. Against the wishes of President Numeiri, the Assembly rejected a 45 per cent devaluation of the Sudanese pound proposed by Finance Minister Mansour.

The victory was an illusion: unknown to the Assembly Numeiri had already exploited a constitutional device which gave him the power to rule virtually by decree. The devaluation was already in force.

The incident was significant, however, in showing how far the economic crisis has eroded the power of the president. It was Numeiri's second major rebuff of the year. The first came after January's student demonstrations when a group of top army officers told Numeiri that they would not object to his resignation. The next morning, 23 high-ranking officers, including the vice president, General Abdelmagid Hamid Khalil, were summarily dismissed.

The Assembly's vote on the devaluation is remarkable because the People's Assembly is tightly controlled by the president through the parliamentary commission of the Sudanese Socialist Union (SSU) to which all assembly members must belong. The president himself is an unusual member: one who does all the talking and nominates the speaker, his deputies and all committee chairmen.

The economics committee's reasons for opposing devaluation are shared by a wide spectrum of intellectuals at home and abroad. The committee believed that devaluation taken in isolation would have only adverse effects on the economy. It pointed to historical evidence that showed a direct correlation between devaluation and a worsening of balance of payments.

The Sudanese pound, originally pegged at £\$1 = \$2.87, was first devalued in June 1978 to £\$1 = \$2.50. In September 1979 the pound had two rates: the official one of £\$1 = \$2.00 and a parallel rate of £\$1 = \$1.25. In November 1981 a unified rate of £\$1 = \$1.1 was established.

The balance of payments deficit has rocketed from \$11.9m in 1978-79 to a projected \$579m in 1982-83. The latest figure is an optimistic one, pinned on the fulfilment of promise of \$380m in loans and donations which are overdue. The new devaluation, to £\$1 = \$0.77 or 45 per cent, is expected to inflate debt repayments by the same percentage.

The committee was concerned that the devaluation, compounded with a 40 per cent in-

flation rate (some put the rate at above 50 per cent), will make life unbearable for the majority of low income families. Their plight could be eased by inflationary and government deficit-inducing measures but these would contradict the very aims of the austerity programme.

The committee also found that devaluation would reduce, not increase the competitiveness of Sudanese products abroad. The series of devaluations has left local producers worse off because of rising costs of labour and imported energy and materials. To offset this the government has decided to abolish the export tax, further eroding its revenue base.

Most seriously, the economics committee concluded that whatever the potential benefits of devaluation, government inefficiency will prevent these materialising. It has happened before. Industry is functioning at 30 to 50 per cent capacity because of energy shortages, transport bottlenecks, high interest rates, unavailability of raw materials and spare parts and a narrow market.

Agriculture also suffers from low productivity, manpower and energy shortages, infrastructure deterioration, health problems, low incentives for farmers and erratic rainfall. Without overcoming these basic problems, trying to raise exports by devaluation is pointless: it is impossible to raise productivity under such circumstances. The government has proved powerless in the face of these problems.

The economics committee drew up its own package of measures. It included tighter exchange controls, closer supervision of banks, import controls and stimulation of imports, especially livestock. However, the problems of the Sudanese economy are too complex to be tackled with tighter exchange controls.

Conflicting government policies have in the past done much harm to the Sudanese economy. Sweeping nationalisation was soon followed by extensive denationalisation and encouragement of private and foreign investment. An ambitious development programme committed the country to grandiose projects, some of which are still unfinished. The first five year plan was discovered to be unrealistic after only two years; the revised version, although dubbed the "modified five year plan" was envisaged to run for eight years.

The current six year plan, designed to span Numeiri's second term in office (ending in 1983), has long been abandoned. A series of six-month programmes, sponsored by the IMF, have been substituted, with varying degrees of success. The economics committee has

complained that these programmes had not been followed and expressed alarm that different government bodies lacked coordination to the extent that some of their activities clearly contradicted each other.

Nowhere is this lack of coordination more evident than in foreign debt. In the budget statement for 1982-83 Minister of Finance Mansour declared that Sudan owed \$5.2bn. In November he was putting forward the tentative figure of \$7.08bn. The difference arose because individual government bodies had contracted loans at their own convenience without any single authority being in a position to know what everybody else is doing.

In agriculture, the backbone of the country's economy, government policy pitted different sectors against one another. The traditional sector suffered from the disruption created by the new development projects. These have drained labour away from the rural areas. They are also favoured by government policies and funds.

In the early 1970s the government sought to promote the image of Sudan as "the breadbasket of the Arab world." This image does not coincide with reality. A fifth of Sudan's imports is food though agriculture provides 45 per cent of the country's GNP and 80 per cent of its exports.

It has also become clear that grandiose sugar production projects, including the giant Kenana Sugar Project on which more money has been spent than on the oil exploration operations so far - figures suggest \$750m - will never in the foreseeable future satisfy local demand, let alone generate any exports. Moreover, Kenana sugar will be the most expensive in the world.

Nevertheless, the government and its international backers are keen to promote export-oriented projects, to the extent that oil production was geared to export in an absurd arrangement that involves the government exporting and importing the same commodity. Foreign investors in the Kenana project insisted that the company should have the right to export half its sugar production. If this was exercised Sudan would be exporting sugar at a loss and then buying sugar back, in the meantime footing an unnecessary transport bill twice.

A more sensible approach would have been to attempt to cater for domestic needs. A thriving

domestic market has now developed. But since local industry and agriculture were not directed to satisfy demand, gross distortions have developed. Profiteering, black market operations and construction prospered at the expense of more productive activities. Government spending is dominated, at least in theory, by development financing. However, the armed forces and state security are the main items of expenditure. Diplomatic representation is also very expensive.

Misallocation of funds has thus been a major hindrance to development. Outright corruption has a great share in this, but there are other types of misallocation. In Kenana and other new development projects, sumptuous residences for top managers were built before the work even started. Most middle and even lower rank employees have company cars.


There have been some healthy developments. High prices for farm produce have checked rural depopulation. The impact of this has already been felt in the capital, where there is an abundant supply of poultry products.

Sudan's chronic balance of payments deficit is likely to persist unless there is a dramatic solution to the energy crisis. Projected imports for 1982-83 are \$1.69bn, against exports of \$670m. Oil, wheat, sugar and medicines will consume all export revenues. So there is a deficit of more than a billion dollars before debt repayments can even be considered. The budget foresees \$382m in debt service payments this year.

The IMF-sponsored programme of reform is a three-year package of austerity measures, involving currency devaluation and the phasing out of subsidies on basic consumer items, mainly oil, sugar and wheat. Since its launch in May 1979 the programme has run into problems. Not only has it been inefficiently implemented, it has been the target of strong and violent popular opposition.

More austerity measures were announced last month. These include a 70 per cent rise in petrol prices and, as compensation, a 20 per cent pay rise, certain tax exemptions and other allowances. At the same time, Numeiri authorised riot police to administer summary punishment to demonstrators, without reference to any court and without charges. The riot police were also authorised to call in the army whenever they deemed it necessary.

Fears on Oil's Bottom Line

 The press conference over the journalists dispersed around the reception room of the Sudanese embassy in London, indulging in the familiar ritual of bilateral conversation. Suddenly a voice called everybody to atten-

tion. The group that managed to gather hurriedly around the Sudanese energy minister, Dr Sherif Tuhami, was informed that AV ("Al") Martini, president of Chevron Overseas Petroleum, was to make a statement.

"The minister has asked me," he began, "whether I am prepared to declare our discoveries in the Unity Field commercial. Well, I am. The field is now a commercial find, and the period of exploitation will start with the completion of the pipeline." A stunned fellow-journalist asked me the significance of this ritual. I told him that if the Sudanese pound was on the free market, this would prop it up quite a bit. It will certainly boost the shares of Chevron on Wall St.

However, before Chevron's president slipped away, I took the opportunity to ask him some awkward questions.

Question: What is the total reserve of Sudanese oil you have come across so far?

Answer: Between 150m and 250m barrels.

Question: I heard someone say 10bn

Answer: Yes, I know the guy who made that statement. We have worked together for a long time. But he was misinterpreted. This was in a telephone interview with the *Wall St Journal*, and he was asked about his personal estimate and the quantity of oil likely to be there. He said anything up to 10bn barrels. This is about what is possible, not actual.

Question: Your company has spent over half a billion dollars in exploration costs in Sudan. Don't you think your loans to Sudan will put undue stress on its already overstrained credit situation when the oil starts to flow?

Answer: It is not a loan. We will recoup our costs out of our share of the oil, 51 per cent.

Question: What about the pipeline?

Answer: This will be paid for from the share of the White Nile Company, which will administer the pipeline and collect the cost of oil transport.

Our conversation during the reception was useful, but the issue of Sudan's oil is unfortunately too complex to be clarified that briefly. The oil reserves are 250m barrels, at the most optimistic estimate. Saudi Arabia can produce that in three weeks. It is difficult to justify the high popular expectations in Sudan with such meagre reserves.

This question of reserves was a major factor in the shift in government policy, from using the oil domestically to exporting it. The original project for a refinery in Kosti (Central Sudan), to produce (initially) 25,000 bpd of refined petroleum products for domestic consumption, was suddenly shelved. Instead, a 1,400km pipeline will be built from the oil fields to the Red Sea, and a new port – yet to be sited – will be used to export 50,000 bpd of crude directly, twice the refinery's capacity.

The explanation given by the government was that the new pipeline could be built more quickly, with greater capacity at the same cost, and that it will be cheaper to use the existing Port Sudan refinery and import finished pro-

ducts. Some observers also point out that finance for the Kosti refinery was not forthcoming: it was supposed to cover only part of domestic oil consumption, leaving Sudan still a net oil importer. Considering the country's staggering debt – government figures stand at the \$8bn mark – it was not clear how the big investment could be repaid. The pipeline is more reassuring, as it will generate foreign currency directly.

But there will still be a problem. The pipeline will earn Sudan only \$200m a year, less than half the current \$450m yearly oil import bill. The pipeline itself will cost \$900m, and the estimated oil reserves will last between 10 and 15 years at the proposed lifting rate. With the government's own estimated revenue figures, it appears that the cost of the pipeline alone – without allowing for interest – will eat up between a third and a half of the total oil revenue.

Thus, unless some dramatic new discoveries are made, oil revenue will only make a modest contribution to the country's economy.

There is also a technical problem, as all the oil found in Sudan is in low-pressure fields. It needs water-flooding to get it out, and this has not yet been proved to work in Sudan.

Free oil from Saudi Arabia, advance deals on cotton and other crops (despite very low prices) and local bank loans have seen the government through 1982, bumpy though its passage was. But as the Sudanese Oliver asks for more, the government's eyes are turned to the outside. Investors are wooed, and foreign aid insistently requested. Two successes were achieved, as a closer cooperation formula was reached with Egypt in the framework of the Integration Charter. An investment group patronised by Dar al Maal al Islami was also set up to assist in development projects, and Prince Muhammad al Faisal says they are aiming at a billion-dollar investment schedule.

But still, for a long-term solution to the oil problem, something has to be done – and the government is looking east, to their brothers across the Red Sea. A very highly-placed official confided to me that they think their brothers in the Gulf states, despite continued valuable assistance, have not yet done all they can for Sudan.

But the official must be quite aware of why his brothers to the east are not so enthusiastic about doing him this "little favour". It is that they think the Sudanese should take the first step by putting their own house in order. Their apparent caution is a sign that they do not think that enough is being done to stamp out corruption, and the notorious inefficiency that has made the Sudanese economy a gigantic sieve for any investment.

A Pipeline to New Prosperity?

LATE LAST year the Sudanese energy minister, Dr Sherif Tuhami, visited London for a meeting of the White Nile Company – the joint venture between Sudan Chevron Petroleum, Arab Petroleum Investment Corporation and International Finance Corporation that is arranging the finance for the country's new oil pipeline to the Red Sea coast.

The minister spoke to *Arabia* about some of Sudan's problems. The following is an edited version of his comments.

● On the financial arrangements for the pipeline and the sharing agreement with Chevron. "The pipeline's cost will be repaid in 20 per cent instalments. Some 30 per cent of the gross oil revenue will go to the White Nile Company, which will use this to pay those instalments.

"The rest of the oil will be shared by Chevron and the government on a 51:49 split. We expect the oil to be flowing by the completion of the pipeline in late 1985. The anticipated government revenue is over \$200m annually."

● On the prospects of success for the water-flooding technique that is crucial for the development of all Sudan's oil fields: "The water-flooding technique involves the injection of water parallel to the oil well, so as to raise the pressure in the field and push the oil out. It has always worked. Questioning it is like questioning whether the sun will rise tomorrow."

● In response to criticism that the policy shift from the building of the refinery to the pipeline was politically motivated; that it represented bowing to external pressure and reduces Sudan's chances of ever having independent energy supplies; and that it was only because the government could not find funds for the more useful refinery project – so the government has sacrificed the national interest to please investors: "It all adds up to dollars and cents in the end. We get more out of the pipeline for the same cost. It pumps 50,000 bpd, which is double the scheduled refinery capacity. It can be adjusted to pump more if discoveries warrant it.

"It has the confidence of our finance partners, so if we are politically motivated they certainly are not. Our partners in the pipeline venture, and the international financial community as a whole, prefer the pipeline to the refinery. In this sense, the decision appears to be politically motivated. The world likes to see us broaden the base of our income. So that is what we are doing. But in the end it was the economics of the matter that influenced our final decision.

"And anyway, what are the objectives of an oil-exploration programme? It is to export oil.

Especially in Third World countries where you don't have the industrial base to absorb all of it. Initially, Sudan's oil-exploration programme is export-oriented.

"With the pipeline we will create an altogether new economic environment in the oil fields, and it's a key to any further development there. Now, any newly discovered oil can find its way directly to the Red Sea coast for export. With the refinery, this would not have been possible. The line there ends at Kosti. Any oil in excess of the refinery's capacity would have to be left underground unless a totally new project were set up to exploit it.

"It is not possible to refine our waxy crude in the present Port Sudan refinery, which is designed to take Arabian Light, but we may end up refining our crude more cheaply abroad than we could have with the projected refinery. Later, if things improve and more oil is found, we might build another refinery, or expand the small one we have planned for Kosti with a projected 5,000 bpd capacity. But right now the pipeline offers greater opportunities."

● On the inflated expectations about how oil will change people's lives in Sudan, and whether the government is cashing in on them as a shield against harsh and unpleasant economic realities: "President Numeiri has made it clear on many occasions that the oil revenue is to be used to better the conditions in the economy's other vital sectors, like agriculture and industry. The country is agriculture-oriented, and oil will help make more money available for agriculture and industry. It will remove the constraints and bottlenecks in these sectors. It is these sectors that will flourish, not the oil sector. The government has always emphasised this."

● On the urgency of a long-term solution for Sudan's energy problems, now that oil doesn't look like the ultimate solution it was portrayed as: "The resources are there. We have already made a good start on the National Energy Plan. Our economists and scientists working with American colleagues within the framework of American aid programmes have already concluded that Sudan has some of the richest hydropower resources in the whole region.

"As a short-term measure we are adding more thermal units to the national electrical system. A programme is already under way with British aid. Enough units will come into operation in 1983 to overcome the present acute power shortages, and give us a lead time to put our ideas on the development of hydropower stations on the Nile in more concrete form. I am talking here about a dam in Merou.

(in the north), and decentralised hydropower stations in various parts of the south.

Our main problem is that of funding. The Meroe dam project will cost up to \$600m. We hope to have the power supply problem solved

by end-1983, when we hope to have a workable system that will relieve the pressure on industry and the economy as a whole. But for a long-term solution, we really have to look forward to the hydropower projects."

The Battle for the Swamps

● A retired British ambassador now working with relief agencies recently told me the story of a typical trip in the Sudd area of southern Sudan. The only way to reach his destination was to walk through swamps with water up to his waist at times. After six hours he wanted to rest. His companions – who were also carrying his baggage – told him this was impossible: there was no place to rest. It was either go on or go back. He went back.

Life in the Sudd is a continuing horror story. Despite this, proposed improvement plans for the region have provoked violent opposition. In 1974 people were killed when demonstrators, mainly students, took to the streets of Juba, capital of the southern region, protesting against plans to build the 360km Jonglei Canal to bypass the swamp area in a bid to ameliorate the local environment and conserve water. In London last year a group of Sudanese southerners led protests at a Royal Geographical Society conference on the subject. Environmentalists worldwide, and some political groups, have backed the protest, though it is now muted.

The Jonglei Canal deserves the name "Project of the Century" for more than one reason: chief among them is the fact that it has been on the drawing board for the best part of a century now. It has been under study since 1904. A project was put forward by the Egyptian government in 1928 and a modified version submitted to the Sudanese government in 1938. The aim was to satisfy Egypt's need for water but this motivation was largely removed after the construction of the Aswan High Dam and the 1959 Nile Water Agreement. The project resurfaced in 1974 after peace returned to southern Sudan and attention focused again on the need for development there.

The new project is for a single canal taking 20m cubic metres of water a day. The cost is \$200m, shared equally between Egypt and Sudan. The canal will cut the travel distance on the river between Juba, the regional capital, and Malakal, the second important centre, by 800km, some 5 days of travel.

Another reason for its "Project of the Century" label is that it embodies all the dilemmas of our century in a lively contrast between the requirements of development and ecological balance.

The Jonglei area is totally shielded from the outside world. Its sheer inaccessibility is a barrier to the evils of modernisation. (The name is derived from the Arabic word for "barrier".) The 100,000 sq km flood plain is so flat that the "highlands" where the people take refuge in the flood season are just centimetres above the water level.

At the height of the rainy season most of the area is flooded and the inhabitants migrate to the highlands with their cattle. These are hard times where communication even between members of the same group is severely hampered. Mosquitoes make life hell, and the dung smoke used to drive them away is the source of widespread eye problems.

The dry season is even harder. Flies take the place of mosquitoes as the chief pest and – by cruel paradox – water shortage drives the people up to a hundred kilometres from home in search of pasture and water. There are no proper schools, health care facilities or veterinary services.

A defence of such a life style against that which appears to be offered by the canal seems cynical, as it is clearly politically motivated. It can be explained, however. The original proposal was distrusted by local leaders because it was basically oriented to the needs of Egypt with the needs of the local people put second. The drastic effects on the environment were also rashly underestimated at first.

A great deal of study has gone into the project since then and more is in progress but opponents are still not satisfied. Some still claim that Egypt's interests are the driving force behind the project although it has been proved that Egypt's share of the Nile water will be increased by a mere one per cent as a result of the jointly financed project.

During the 17-year civil war that ended in 1972 the contribution of the canal to the improvement of communication with the North was viewed with scepticism. It was seen as an instrument of domination. However, access to the North is vital to the development of the South. The mentality of the civil war lives on: demonstrators were brought to the streets in the South by the rumour that the canal project was intended for the settlement of Egyptian and northern Sudanese farmers.

Environmentalist opponents claim that the canal will create a desert stretching to Kenya and Uganda. It will ruin the wildlife habitat, they say, and no rain will fall in the South if the swamps dry up. Even the underground reservoirs as far as Chad and Libya will lose their water if the canal was dug, the argument ran.

In fact, the canal will not reduce the size of the swamps significantly. The rainfall in the South has been known to depend almost entirely on moisture from the South Atlantic, and far from drying up the underwater rivers in the Sahara, it could augment them. The Sudd lies on an impermeable geological formation; diverting more water from it to the main river can only make more water available for the underground reservoirs to the North.

Supporters of the canal project say that the environment changes anyway, so it is better to control the way it changes. Between 1961 and 1964 heavy rainfall in the equatorial lakes caused devastating floods in the Sudd, and there was widespread destruction of property. Zeraf Island disappeared under water and has remained there. An exodus of dispossessed people started then and has since reached massive proportions. As more and more young people experienced a new way of life, the traditional way of life became less and less acceptable.

The fail of the waters of the Sudd will, initially at least, restore some of what has been taken from man. The Sudd environment is one that cries out to be controlled. In places like this conservationism is a luxury.

In an address to the regional assembly of the autonomous southern region in 1974, the then leader of the South, Abel Alier, came out strongly against opposition to the project. (This was running very strongly among members of the assembly.) "You want us to keep the wild animals," he said. "Go ahead then. Keep your crocodiles and hippos so that foreign tourists will always come and gaze at them and at our backwardness."

Alier won the day. With vigorous campaigning and support from President Numeiri, representatives of the southern people gave their reluctant consent. The opposition effort was

not entirely wasted though: the builders of the Jonglei Canal rightly boast of having one of the best researched projects in the world.

CCI is the French consortium digging the canal. Its giant excavator, the largest in the world, eats up to 15 tons of fuel a day and digs 30,000 cubic metres of earth. As the leviathan rolls on to disrupt the lives of the half a million people who live in the Sudd area, other teams go to work.

The local people are now introduced to the techniques of forestation in an area where there is practically no shade outdoors, although temperatures of 140° F are normal. Health care is now being brought to where the CCI team leader died of malaria early last year. Veterinary services and education are also coming to the area.

Because of the environmentalist pressure, development is approached very cautiously. No grand projects were embarked on. Dependence on imported technology is not encouraged. Although farmers were encouraged to plant 600 feddan plots instead of their usual one and a half feddan farms, they were told not to expect tractors or other machinery: training in ox-drawn ploughing was offered instead. Private initiative was also made the cornerstone of development policy in other areas, such as fisheries and cottage industries. This approach is warranted by the difficulties faced by conventional development projects.

The canal was supposed to have been completed by 1985. This now seems highly unlikely: only a third of the length of the waterway has been dug in the five years since work began. Fuel supply is a major problem. The work consumes at least 15 tons of fuel a day: this in an area where people wishing to make a telephone call sometimes have to take a can of fuel to the microwave relay station to run the electricity generator while the call is made. Petrol is available only on the black market, for ten times the official price.

Despite all the problems, work on the canal is now proceeding with more vigour and less of the protest that characterised the early days of the (revived) project.

International Perspective

From the earliest times the political and cultural life of Sudan has been dominated by Egypt. Modern Sudan took shape as a colony of Khedive Muhammad Ali, the Ottoman ruler of Egypt who invaded Sudan in 1821. Muhammad Ali's rule unified the country and later gave the British the pretext to keep it unified against French and Belgian aspirations. The British came to Sudan in 1899

ostensibly to restore Egyptian rule and crush the Mandist revolution, but later (in 1924) decided to expel the Egyptians and rule alone.

The events of 1924 have dominated the political scene ever since. Two main tendencies appeared in the society. The one, led by the budding intelligentsia, identified with Egypt and to and in the nationalist movement there a great ally against the British colonialism; the

hated. They advocated a union with Egypt. The other, led by the Mahdists, was deeply suspicious of Egypt against which the Mahdi had originally fought and discerned in the Egyptian attitude a trace of its old colonial aspirations in Sudan. The Mahdists and their allies thus advocated independence and ties with Britain.

The unionists triumphed in the first elections held in the country and they dominated the parliament, only to decide for independence rather than union with Egypt. The idea of the union soon lapsed into oblivion now that Egyptian support was no longer necessary for independence, and Nasser's fervent nationalism had little appeal for the ruling classes. The 1958 military coup was also instrumental in checking the unionist tide. Unionist fervour surged again when Numeiri gained power in 1969, but was unpopular with the increasingly vocal southern groups.

Egyptian influence continues to grow in Sudan. Most of the present generation of politicians have been influenced by Egyptian culture and are favourably disposed to Egypt. Increasing numbers of students go to Egyptian universities every year (2,000 students are admitted annually) and more than a million Sudanese nationals live in Egypt. Millions more flock there annually for vacations or medical treatment.

Egypt and Sudan are linked by a military cooperation treaty, which helps guarantee the continued existence of the present Sudanese regime. Active help was extended in the 1970 Aba uprising when the Egyptian air force was reported to have helped crush the traditionally anti-Egyptian Ansar led by El Hadi el Mahdi. Some help was also reported to have been given against the communist coup of 1971 and certainly against the 1976 commando operation mounted by an alliance of opposition groups.

Although Egypt-Sudan ties were given a low profile during Sadat's years of disfavour in the wake of the Camp David accords, they are today stronger than ever. A "Guideline of

An equivocal and thorny aspect of Sudan's Arab connection is relations with Iraq. With Libya, Iraq is an avowed enemy of Numeiri's rule. Iraq's hostility goes back even further than that of Libya. For while Qaddafi helped Numeiri put down the communist coup of 1971, Iraq contributed a plane load of high officials and, allegedly, troops, who were being flown to Khartoum when their plane crashed mysteriously near Jeddah.

A tiny but very vocal affiliate of the Iraqi faction of the Baath Party has consistently opposed the Numeiri regime and is still very active underground and in the universities. This same party has struck an alliance with the

Unionist Party that is leading a bitter but inefficient campaign against the regime. Finance for the exiled leadership of the Unionist Party is known to come from Libya and Iraq.

The chief organ of the opposition is *Ad Dastour*, a weekly magazine published in London. It has been bought, and is being financed, by Iraqi funds. The magazine has toned down its criticism of Numeiri considerably after the latter decided to contribute troops to help Iraq against Iran in the Gulf war. However, the party still criticises Numeiri bitterly.

Unionist Party activists were particularly conspicuous during last November's student protest. The apparent contradiction between a rapprochement between the Iraqi and Sudanese regimes – as evidenced by Sudan's troops offer – and Iraqi backing for Numeiri's opponents is explained by the Iraqi argument that the Baath Party and the government are distinct organs which can and do have different policies. This device has also been used to appease party activists who could not stomach Baghdad's new cordiality toward traditional enemies like King Hussein of Jordan, who has been extremely helpful to Iraq in the Gulf war.

The new relations with Iraq are known to be extremely unpopular in the Sudanese army and in the country as a whole. The Muslim Brotherhood allies of the regime, in particular, have strong sympathies for Iran and are extremely hostile to the Baath Party. So far though they have been content to criticise the step through their student affiliates, with the unions forming an increasingly useful policy instrument.

Numeiri is keen to play an important role in Arab politics. Sudan's role in Africa and as an Arab-African link was given a boost by the peaceful settlement of the civil war between the African and Arab components of Sudanese society, but to date this aspect of Sudan's international position remains largely untapped. The chief hindrance to the realisation of this role is that the Arab and African elements in Sudanese society remain distinct and opposed instead of allied and united. The only exception is in the west, especially in Darfour Region, where a real amalgam of African and Islamic culture has evolved.

Sudan has thousands of miles of frontiers with eight countries. Ethnic groupings that straddle the borders cannot afford to be indifferent to what is going on across the border. Half a million Eritreans, more than 60,000 Ugandans and a comparable number of Chadians have taken refuge in Sudan.

In the 1960s and 1970s relations with Ethiopia soured because of the ease with which Eritreans found refuge in Sudan and staged guerilla attacks across the border. This

prompted Ethiopia to supply bases and arms for insurgents in southern Sudan. This changed after the 1972 Addis Ababa accord which ended the civil war in the South and apparently guaranteed that Sudan will not help Eritrean secessionists.

The end of the civil war also improved Sudan's stature in the West. Sudan is traditionally pro-western. Although it took a military regime to approve a package of American aid (the legislation couldn't make it through the parliament in 1958) the differences between the main political groups were not based on an East-West split, but on whether to maintain closer ties with Britain or with Egypt. However, the regime's closeness to Washing-

ton is now being widely criticised and it has had to withdraw an offer to the US of bases.

Relations with the East looked brighter in the first days of Numeiri's regime than they do now. Economic relics of the good old days persist, though. Exports to China and the Eastern bloc countries represent 40 per cent of the total, against 26 per cent to the EEC. The EEC is nevertheless the main source of imports.

The regime has displayed an increasingly Islamic orientation in the last few years and this was reflected in its foreign policy. At the popular level the Islamic identity is felt even more strongly. The popular attitude is likely to push any regime towards a balanced and moderate foreign policy.

Sadiq el Mahdi on Sudan Today

● Sadiq el Mahdi is a rising star in Khartoum these days. As the only leading politician who can and does criticise the government in public with virtual immunity he is winning an increasingly large audience. But he has some problems.

His political ambitions are both hampered by, and dependent on, his past. Born the grandson of the Mahdi, he graduated from Oxford with a degree in economics at a time when university degrees really counted in Sudan.

This double distinction gave him a great filip and some of his critics joke that the first job he ever got was that of prime minister. His power base consisted in the Ansar (Mahdi followers) but this base has been eroding fast with the spread of secular education and western-induced values.

Sayed Sadiq has been at pains to cultivate a progressive image. He opposed the outlawing of the Community Party in 1965 and advocated the inclusion of the Communists in the opposition National Front. This was vetoed by the Muslim Brotherhood. He failed to appeal to the intellectuals however, chiefly because he also had to appease his real power base.

Abu Bakr Yassin Shingett and Nizar Daw el Naim talked to Sadiq el Mahdi in Khartoum. Extracts.

On his reluctance to participate in the government, although as leader of the opposition he had initiated the process of national reconciliation and once accepted membership of the politburo of the SSI

After tens of hours of meetings with the Sudanese president we arrived at a four-point programme.

● The dissolution of the Sudanese Socialist Union, the conducting of free elections in it from top to bottom, and the convening of an

exceptional conference to which nine basic reforms must be presented [for approval].

● Basic constitutional amendments in a democratic and Islamic direction.

● Abrogation of the State Security Law and other restrictive laws.

● A general revision of the performance of all institutions.

It was on the basis of this programme that I agreed to join the politburo and that some of my colleagues should join [the government] as a goodwill token. After I became convinced that this programme would not be carried out and after the Sudanese stand on Camp David proved that the politburo [is not the real decision maker] and is not consulted in vital issues... I resigned.

What I want to emphasise here is that personal participation will not have any effect or value. [It has to be] built on a reform programme. Many highly qualified individuals participated in the regime but failed to have any impact.

On his position vis-a-vis the regime

I believe that the Reconciliation has achieved two things: the first is a new atmosphere in which the other point of view is [tolerated]. The second is a reform programme. The atmosphere still exists but the programme has been suspended.

A new situation has attained in Sudan. In accordance with this new situation we have continued to preach our programme in the universities, in the newspapers and in conferences. We believe that this is the method that is right for the present stage. This is our position which we will maintain. [We will not resort] to violence or work from outside the country.

On the opposition in exile

Those who now call themselves the "Opposition in Exile" have not been able to transform

themselves from their July 1976 state [and adapt] to the post-July 1976 situation. The opposition has passed through several phases: a bloody phase that led to Aba and Wad Nubawi [armed Ansar insurrections in 1970] and a political phase that led to Sihaaban [August 1973 student protests], a phase that led to the September 1975 coup and finally a phase that led to July 1976 [attempted coup by commandos trained in Libya and Ethiopia]. After this we have entered a new era characterised by the [abandonment] of violence; a new page has been turned in which the other point of view is tolerated.

The opposition in exile couldn't understand this change because it preferred to stay outside and as a consequence became isolated from [events] inside Sudan and put it under the control of intelligence agencies hostile to the regime on which it became dependent for funds and information.

On whether the latest government economic measures would solve the present problems facing the Sudanese economy

No they won't. These measures imposed on Sudan do not address the real problem. The main problem is that we spend more than we earn and that the level of production is very low. As long as these phenomena persist nothing can cure the problems of the Sudanese economy.

The latest measures are symptoms of the crisis and not at all a cure for it. Without radical measures to check the increase in public spending and the deterioration in production levels we will find ourselves continuously in need of devaluation and rescheduling of debts.

Sudan is a country rich in resources and has a lot of goodwill abroad. It can recover if seriousness [by the government in tackling the issues] was proved.

On the integration with Egypt and the latest steps taken towards it in the newly agreed "Integration Charter"

The Integration Charter was preceded by what was called the "Integration Guideline." The programmes envisaged in accordance with the latter have consistently and completely failed over the period since February 1974. No real

evaluation of the failures was attempted. In my opinion the Charter will fail for the same reasons. They are the following.

- There are political differences. We are a one-party state while Egypt has a multi-party system with a relatively free press. It is like the union between North and South Korea: a kind of wasting of time. Whatever natural requirements for a union may exist it will not happen if there are political impediments.

- Egypt and Sudan both have economic problems that impair integration. For example, Egyptian technicians brought to Sudan couldn't stay here because of the high cost of living which has prompted even a great number of Sudanese to leave the country.

- There is also the problem of foreign policy. The high priority which Egypt gives to its friendship with Israel cannot be matched by Sudan, whose geographical and economic conditions impose on it a different foreign policy.

In the end the whole question of integration boils down to a desire between the two regimes to institute between them some kind of security-oriented solidarity which in itself is not sufficient for the success of the Charter.

However, the arrangements with Egypt can be of use only against outside aggression, but it is of no avail when the main problem for the regime is internal, like economic failures or failure in uniting the Sudanese. For example, although Egypt is an oil exporter and Sudan is forced to buy oil [by arrangements which make it pay 30 per cent above the market price], Egypt was no help in this problem.

On his vision of the way out of the present crisis

It is very simple in my opinion: a radical solution which must change the policies, the institutions and practices now existing in Sudan. It has to be a national solution, not dependent on one particular group. It has to be as peaceful as possible because Sudan is now fragile and any [conflagration] is likely to break it up or lead to massacres.

As to when and how this solution is to be implemented and what are its details, I would like to leave this to the genius of the Sudanese political movement. I have a great confidence in the Sudanese genius.

The Prospects for the Future



In 1977 Sudan took a giant step forward in a move unparalleled in the Third World, the main opposition groups then locked in a bloody fight with the government reached an agreement with President Numeiri to abandon violence and even to participate in the regime. This consolidated another important step which in 1972 ended the civil war in

the South. High hopes were attached to the willingness of various elements in the society to work together in the framework of a general consensus characteristic of all advanced societies.

The National Reconciliation, as the 1977 move became known, did not live up to its promise; and in the South, the peace formula,

though a great achievement in itself, did not see the expected fruits of peace accrue to the people. The South remains grossly underdeveloped and the only clear beneficiaries of the new order are a tiny educated elite who now occupy the top posts in the newly-formed regional administration.

The liberalisation of the system expected as a result of the 1977 accord did not materialise. The former opposition is now divided into three groups: the Muslim Brotherhood which participates fully in the regime and has dropped most of its demands for liberalisation; the Ansar led by Sadiq el Mahdi, who now claims that the programme on which the reconciliation was agreed has not been implemented; and the unionists who are leading an opposition in exile, allied loosely with the various leftist groups inside the country. Of these, the Communist Party is the chief component, together with the small but growing Iraqi Baath Party.

This means that no real threat is posed to the government except by its own inefficiency. For example, although the authority of the regime virtually crumbled during last January's protests, no serious takeover bid was attempted.

The economic situation is the greatest threat to Numeiri and his rule. Development and economic reform was the regime's declared *raison d'être*. It rode a wave of grandiose promises of prosperity in the early 1970s. Now there is no chance that these promises can be fulfilled in time to be a political asset for the present regime.

Sudan was caught in the down-turn that has engulfed the world economy since the mid-1970s. The cost of development projects soared and its export income slumped as the terms of trade for all Third World countries deteriorated. The cost of building a new airport to replace Khartoum Airport (which is no more than a large airstrip with a concrete surface), for example, was projected at \$13m in 1970. In 1980 the cost was \$200m. As no funding has been found the cost grows the more the project is delayed.

World economic problems are not solely to blame. Gross mismanagement of funds and resources characterised the handling of the development projects. Some of this was a result of pushing ahead with over-ambitious and ill-studied projects in a country with little experience in this field. The main reason, however, was political.

In the early years of the May Revolution, the regime regarded all the major political groups as enemies, especially after falling out with the communists in 1971. As most of the experienced technocrats and managers had in the previous democratic set-up some party affilia-

tion or another, they found themselves suspect in the new order.

They were either harassed by junior staff who were members of the ruling Sudanese Socialist Union or were replaced by less experienced but loyal supporters of the regime. Any criticism of the rashness of the development policy was branded as counter-revolutionary subversion punishable by at least the loss of employment.

There was no real popular or even professional appraisal of the government's policy. Information about the state of the economy was a closely guarded state secret. The people were repeatedly fed glittering promises about the future. Self-sufficiency in wheat, they were told, was foreseeable by 1974; all the country's sugar would be produced inside Sudan by 1976.

It was a far cry from this to the calls of austerity that in the last few years have exhorted people to pay more for these same commodities and eat less. Changes of this sort are hitting the government's credibility and support.

Demands for an increased role in running the affairs of the country are now being voiced by a widening section of the population. So far these protests have taken the form of regional and professional demands. The doctors, the judiciary, the railwaymen and the farmers have all in recent months taken industrial action in support of their demands. Lawyers, university professors and students have demanded greater civil liberty.

Things have changed greatly since the mid-1970s. There is now no atmosphere of terror although some people in the opposition suffer minor harassment. The refusal of exit visas and dismissal from government jobs are still widely used devices. Imprisonment without trial has been almost phased out, although some leftists and members of the exiled opposition are regular and reluctant prison visitors. People were once very cautious about airing their anti-government sentiments in public. Now almost everybody you meet will tell you exactly how he feels about the government, even before he knows who you are.

However, free forums for discussing the country's various problems do not exist outside the universities. Critics argue that this is the very situation that led to the present crisis: had there been sufficient public debate on the development projects then the present problems could easily have been predicted.

Few people advocate a return to the pre-1969 days. Sudan's brief encounter with parliamentary democracy disappointed many people. Military dictatorship was also a disillusionment. The May 1969 coup was widely welcomed at first. The communists, outlawed both during Abboud's dictatorship and the

democratic period, seized the opportunity and supported Numeiri vigorously. The period until July 1971 was virtually one of communist rule in Sudan: until today the charter of the SSU, which was drawn at that time, speaks of a transitional stage which would set the scene for a socialist system modelled on Soviet Russia.

The communists alienated everybody during their term in power and they found few friends when Numeiri turned against them. Indeed Numeiri owed much of his popularity to his battle against the Sudanese Communist Party.

Capitalism is also widely criticised, especially among intellectuals. Popular resentment against what is seen as the government's capitalist orientation which created a new class of nouveau riche among an impoverished people, is widespread. Most of the alternatives that could be readily substituted for the present set up have been tried and found wanting.

A radical appraisal of the concepts underlying the development programme is being demanded, especially since the devolution has brought the problems of rural areas into focus. Government policy has had disastrous effects on the lifestyle in those areas: a relentless modernisation drive has wrecked the bases of society without putting anything in their place.

Traditional agriculture, which has supported the population for centuries, has been destroyed. Thousands of people crowd the cities without jobs, or even food.

Whatever the way out of the present crisis, it will take more than an overnight coup or change of leaders to point it out. What the country needs now is a calm and deep appraisal of its present predicament. Liberalising the system to accommodate such a debate without risking the disintegration of society is the challenge facing the country.

CSO: 4500/122

BAGHDAD BROADCAST ON EGYPTIAN-ISRAELI RELATIONS

JN201456 Baghdad Corner of Arab Egypt in Arabic 2000 GMT 19 Mar 83

[Commentary by 'Abd al-Mun'im al-Ghazali]

[Text] Sometime ago, President Husni Mubarak issued an order to halting all Egyptian media attacks against the Arab countries. The media attacks were undoubtedly caused by the Arab countries' attitude toward the Camp David agreements and the 26 March 1979 agreement with the Zionist enemy. This attitude varied from one Arab state to another. President Mubarak's directive was basically directed against the fierce campaign which had been aimed at the Palestinian revolution during the al-Sadat era. This greatly angered the Zionist enemy which claimed at that time that this directive was a deviation from the 26 March agreement, particularly the third article in the agreement which incriminated the Palestinian revolution.

Then came the Zionist and U.S. invasion of Lebanon and the genocide against the Palestinian people. Egypt as a whole was angered; it rebelled and expressed to the resistance its support for the Palestinian struggle. The official Egyptian position responded to Egypt's rebellion and anger. Relations and official meetings began with the PLO. Egypt suspended some of its relations with Israel, particularly in the field of trade exchanges, recalled its ambassador in Tel Aviv and postponed sending its consul general to Eilat. It declared that its ambassador and consul general would not return unless the Zionist invasion forces withdrew from Lebanon.

The Zionist colonialists were naturally not expected to withdraw from Lebanon. Therefore, Egypt's move was a right step toward ridding itself of the chains of the 26 March agreement; a step that would be followed by other steps. Egypt's decision not to allow Israel to participate in the Cairo International Book Fair was one of these positive steps. It was a triumph of the popular boycott of the enemy and the resistance to its cultural invasion of Egypt.

However, the United States and the forces of al-Sadatism and the makers of Camp David and the 26 March 1979 agreement assumed the role of a counterforce to these positive steps with the aim of foiling any attempt to get rid of al-Sadat's heavy and complicated legacy and of the heavy chains imposed on the will of Arab Egypt. What is taking place now is within these countermoves so as to maintain the policy which was imposed on Egypt by al-Sadat. What is taking place now is within these countermoves so as to maintain the policy

which was imposed on Egypt by al-Sadat, his party and henchmen and which Egypt rejected. The economic agreement between Egypt and the United States was a result of the activities of these antinational Egyptian forces. The United States attempted to contain the rejection of normalizing relations with the Zionist enemy and to use the U.S. agency for international development as a means of normalizing relations with the Zionist enemy. The recent fierce onslaught against the Palestinian and the PLO--an onslaught which has gone to the extent of threatening to expel the Palestinian from Egypt--is an attempt by these counterforces to pounce on any progress that might be achieved.

Again we are back to al-Sadat's principles, namely, that any attack against Camp David and the 26 March agreement with Israel is an attack directed against Egypt.

For 3 days last week there were high-level trade talks between Egypt and the Zionist enemy. These talks were preceded by accepting Israel's participation in Cairo international market and a statement by the Israeli economy and foreign trade minister saying that Israel will be treated as any other state. This approach which is directed against the positive approach of the Egyptian nationalists confirms the fierce struggle between the Camp David forces and the forces opposed to it.

In order for this struggle to be decided in favor of Egypt and its deliverance from the U.S.-Zionist scheme, the positive steps must be transformed into an organized popular movement which will confront the counterforces and prevent them from opening Egypt's doors for the Zionist enemy and the U.S. colonialism. Those who oppose the Palestinian revolution and the PLO do not represent the Egyptian people but the United States and Zionism. Those who want to continue the alliance with the Zionist enemy and the United States are moving on the path which Egypt rejects and which it will continue to reject until it becomes free from and purged of the Zionist presence and U.S. control and hegemony.

CSO: 4400/269

FRANCE BOLSTERS REGIME WITH MORE ARMS

Paris AN-NAHAR ARAB REPORT & MEMO in English No 7, 14 Feb 83 p 3

[Text]

France is stepping up its arms supplies to Baghdad, but has not yet decided whether to accede to an Iraqi request for five Super Etendard fighter aircraft equipped with AM-39 Exocet missiles. In the meantime, it is to start delivering 29 Mirage F-1 fighter-bombers to Baghdad before the end of the year, adding to the 60 F-1s supplied before the outbreak of the war with Iran in 1980.

The Gulf war entered what both sides described as a potentially decisive phase last week with the launching of a major offensive by Iran designed to recapture pockets of Iranian territory still in Iraqi hands, to advance further into Iraq itself and to accomplish what has become Iran's principal war aim, the downfall of Iraqi President Saddam Hussein. As this newsletter went to press it was not possible to discern which side had gained an advantage in the latest fighting. But it was clearly on a larger scale than any since last November, when Iranian forces captured 300 square kilometres of Iraqi territory near the Ein Khosh area, slightly to the north of the Missan region where Iran has concentrated its latest assault.

The French government, in the words of Mr Mitterrand, "does not want to see Iraq defeated" in the Gulf war and Iraqi Deputy Premier Tariq Aziz was evidently determined to capitalise on this stated posture when he presented the French President with a long shopping-list of arms during his visit to Paris last month. At that time it was reported that France would triple its purchases of Iraqi oil and offer Baghdad a credit package that would enable Iraq to continue buying French weapons (*An-Nahar Arab Report & MEMO*, January 17).

The Super Etendards would have to be diverted from a batch due to be delivered to the French navy, since assembly lines for the plane are currently idle. Iraq has already received a number of helicopter-mounted Exocets, which were used effectively at the start of the Gulf war and again last November to attack shipping off Kharg Island, Iran's main oil export terminal in the Gulf.

Should France prove unwilling to supply Super Etendards, Iraq will fit Exocets to the Mirage F-15s,

which will be equipped with mid-air refuelling facilities and advanced electronic systems. Iraqi technicians are believed to be capable of carrying out the modifications unaided, since they have already mounted French air-to-air Magic missiles on Soviet-made planes that have had some success in aerial combat against Iranian Phantoms and Tomcats. With a 20-30 per cent increase in range and armed with Exocet missiles, the new Mirages could enable the Iraqis to strike effectively at sensitive targets within Iran, notably oil installations.

France has compelling commercial reasons for backing Iraq in the Gulf war, although President Mitterrand justified his stance in terms of maintaining the regional balance of power. Iraq bought FF 28 billion (\$4 billion) worth of arms from France in 1981 and 1982 as well as spending a similar amount on civil purchases, making it France's leading Middle Eastern customer. Iraq and Saudi Arabia, which has provided Baghdad with generous helpings of financial aid for its war effort, alone absorb 70-80 per cent of all French arms exports. France has almost \$2.3 billion worth of outstanding contracts with Iran and \$5.4 billion worth of guaranteed export credit. Should Iraq default on its payments, the French government, through its export credit guarantee agency COFACE, would have to contribute at least FF 15 billion (\$2.16 billion) for civil credits alone.

The growing extent of France's commitment to Baghdad has excited some concern in Paris. Critics point out that drastically reduced oil revenues have brought Iraq to the brink of insolvency. Its borrowings from its Gulf Arab neighbours have been estimated as high as \$35 billion and these states are reported to be reluctant to meet Baghdad's latest request for a loan of \$7 billion (*An-Nahar Arab Report & MEMO*, February 7), given that their oil revenues have also dwindled in the face of the world oil glut.

An editorial in the French daily *Le Monde* raised doubts as to whether increased French arms supplies, small in comparison to those from the Soviet Union, could tilt the military balance in favour of Iraq, arguing that the course of the conflict would be decided more by the competence and willingness to fight shown by the Iraqi forces compared with the capacity of the Iranians to pursue their offensive.

The paper said that despite the efficiency of the repressive apparatus in Iraq, the Baathist régime was being undermined by Kurdish guerrillas in the north, Shiite subversion in the south and the clandestine activities of various opposition groups and occasional conflicts within the Baath power structure itself. Holding up the example of how the United States got its fingers burnt by its almost unconditional support for the late Shah of Iran, the editorial warned France against building its policy on short-term considerations. For Iran "is and will be, whatever the political colour of its leaders, the master-piece on the chessboard of the Gulf."

Against this it may be argued that France's policy is determined not only by its commercial stake in Iraq, but also by a genuine fear of the destabilising consequences of a sweeping Iranian victory on the rest of the Gulf region. This preoccupation will have been forcefully communicated to the French government in its recent contacts with Iraq's conservative Arab supporters such as Saudi Arabia, which recently lent France \$4 billion, Egypt and Jordan.

CSO: 4400/234

LEWIS CRITICIZED FOR NEGATIVE REMARKS

TA181536 Tel Aviv DAVAR ~~in~~ Hebrew 18 Mar 83 p 15

[Commentary by Tuviya Mendelsson: "We Will Yet Miss the Days of the Good Fence"]

[Text] U.S. Ambassador in Israel Samuel Lewis, who does not frequently make public declarations and even less frequently declarations with a critical tone or casting any doubts on Israel's policy, this week went out of his way. Although he told his audience, the U.S. delegates to the Jerusalem conference on Soviet Jewry, that he intends to say some things "off the record," I find it hard to believe that Lewis innocently thought that the words he would say before close to 500 people would remain unpublished. In any case, from the remarks attributed to the U.S. ambassador in that appearance, it seems that Lewis discreetly expressed astonishment that despite the fact that Israel's hopes and dreams regarding the Lebanon war had not come true, the prime minister and his policy still enjoy the support of the majority of the Israeli public. Lewis referred to a public opinion poll published recently according to which, if elections were held now, the Alignment would lose eight Knesset seats while the Likud would increase its strength by another nine seats. Lewis is not the only one wondering about this and he is, of course, right in his banal assertion that only history will prove whether the casualties of the war were justified. History--and Lewis did not say this--will have to prove why despite the lack of achievements in Lebanon and the extension of the war over and above any predictions most of the Israeli public persists in its support for the government's policy. However, before we reach the sober outlook of history we are still faced with the future in which we will see whether, how and until when the government will succeed in "selling" the failure in Lebanon in a false wrapping of victory.

One explanation for the continued support for the government's policy is that most of the public has long since lost any interests in the ins and outs of the negotiations, the Israeli demands, the U.S. proposals and the Lebanese refusals. While observers and political correspondents religiously continue to pick any trace of information (including inaccurate information deliberately filtered out by so-called political elements, circles or sources) to expose a hint of a change in the Israeli position or in a U.S. formulation

of this or that clause, the public waits, not even impatiently, to hear the bottom line: When do we get out of Lebanon. In general, the public is absolutely apathetic to the IDF's continued presence and increasing entanglement in Lebanon. There are worrisome and definitely astonishing indications about public opinion's adaptability to the price we continue to pay in terms of human lives as the IDF's presence in Lebanon continues. While the public eagerly listens to "color" reports on the radio about life in Jabal al-Baruk in below-zero temperatures and underground, the government--for obvious reasons--does not bother to update it about the price that all of us will ultimately be called upon to pay. In addition to the casualties, the losses include enormous amounts of money due to the need to maintain an army of its men, equipment and needs in Lebanon.

The public's apathy and lack of interest regarding the events in Lebanon and the developments in the negotiations accord a certain advantage to the government. Its official and unofficial spokesman know very well that in order to maintain this advantage it is not important what it reached--or, to be more precise, what it did not reach--in the negotiations but what is being said to the public. Hence, they continue night and day to drive home the message that Israel is not going back on the objectives it set out to achieve. This is why upon his return from a series of talks in the United States where Israel was called upon to make further concessions regarding its previous positions, Foreign Minister Yitzhaq Shamir spoke about progress in the negotiations and presented the Israeli withdrawal from its previous positions as "another U.S. advance toward the Israeli positions."

The more the U.S. position "advances" toward the Israeli position--according to Yitzhaq Shamir--the clearer it becomes that the government is withdrawing from its previous positions. Toward the end of the week political observers expressed serious apprehension that "the targets and objectives" of the Lebanon war would lead us to a worse situation than that existing prior to the war and that we would yet miss the days of the good fence and the IDF's relative control over events in southern Lebanon in the area ruled by Major Haddad's militia. Israel has long ago given up a peace treaty with Lebanon and early-warning stations and it is now actually giving up on a military presence in southern Lebanon which had initially been required for securing the Israeli northern border, overseeing the security arrangements and preventing the creation of a new PLO infrastructure in the area. The foreign minister himself, in his efforts to portray his unnecessary visit in Washington as a triumphant trip which led to progress in the talks, was caught this week in internal contradictions in remarks he made in press interviews in the United States and Israel. From reports from Washington about Shamir's talks there--at least part of these reports sound more credible than Shamir's own declarations--one may infer that the key question in dispute is the means of control over the security arrangements in southern Lebanon. As Shamir hinted on television, the U.S. proposals are not yet sufficient and there is still no solution, certainly not the solution that Israel would like according to its declarations and previous positions.

Defense Minister Moshe Arens is still in the midst of his honeymoon with the government, the general staff and the press. Rightly so: There are great expectations about the political positions he will suggest the government adopt in the Lebanon negotiations. Arens did not share with the government all the moves that preceded the war and those that came during and after it. He enjoys great credibility and the ability to influence the government to take another political line in order to arrive at an arrangement in Lebanon. Some ministers are increasingly feeling that an arrangement with Lebanon and the IDF's departure from its territory should be brought about. Arens may be less concerned with the question of how to sell the failure to the public and will concentrate on the real problem: How to reach such an agreement that would improve rather than worsen the pre-war situation.

The current target seems to be to save the security strip in southern Lebanon. There are those who believe that it is not yet to once again rely on Major Haddad and give him additional power. However, there is no certainty that this may be attainable due to Lebanon's firm refusal to leave Haddad the control over his militia. In any case, if a solution is found to the question of supervision of the security strip, Israel will then be able to go back on another of its demands and agree to have a multinational force watch over the refugee camps. As for normalization: Israel continues to insist on this issue and there is again apprehension lest the government's wish to present its supporters with "a great achievement" lead to a signed agreement on some sort of normalization which would not have any practical expressions in the field beyond the words describing it in the signed document. As part of Shamir's "U.S. advance toward the Israeli positions," it may be worthwhile to let them advance a little bit more, give up on the normalization agreement and establish an informal and unwritten relationship which would be more practical and stable.

The government may come to terms with the risks and make far-reaching concessions in Lebanon. After all, political experience in Israel has proven that nothing can hurt the level of support for and popularity of Menachem Begin. Neither the implementation of the Alignment's policy nor the embracing of Shimon Peres' ideas--to cite some examples--will topple him.

CSG: 4400/266

DOCUMENT SAID TO SHOW TERRORISTS KILLED GIRL IN INITIATION RITE

TA221117 Tel Aviv MA'ARIV in Hebrew 22 Mar 83 p 1

[Report by Sha'ya Segel, Ilan Bakhar and Yosef Walter]

[Text] Authoritative sources have confirmed Chief of Staff Lt Gen Refa'el Eytan's contention that the girl Nava Elimelekh was murdered by terrorists, who thereby sought to prove themselves to gain admittance to a terrorist organization. The sources said that proof of this is a document based on the testimony of terrorists captured following the throwing of a handgrenade at a bus in Tel Aviv about 2 months ago.

After the squad that threw the handgrenade was captured, its members were interrogated, and it emerged from the investigation that Nava Elimelekh was murdered by terrorists who wanted to join a terrorist organization. When the chief of staff said this in a press interview last week he was basing his remarks on this document, which was in his possession.

Authoritative sources have reported that apart from the Elimelekh case, there have been other incidents in which Israelis were murdered by Arabs who wanted to gain acceptance to terrorist organizations, one such case being the murder of a woman soldier in the south. The sources also attributed several acts of sabotage, arson and property damage to this motive.

For its part, the police again firmly denied yesterday evening that Nava Elimelekh was murdered by elements hostile to the state. The police spokesman said that the police have no evidence of this. The police believe that no connection has been proved between the girl's murder and hostile elements against a nationalistic background.

Neither do the police have any evidence capable of corroborating the conjecture that one man is responsible for the murder of Nava Elimelekh and the disappearance of three children: Yisra'el Sofer, 13; (David Strokowski), 14; and 'Amid 'Abd al-Hamid, 15. These three children disappeared in the Yafo-bat Yan area over a year's period.

TRAVELERS TAX PROPOSED TO SUPPORT FAMILIES

TA210848 Jerusalem THE JERUSALEM POST in English 21 Mar 83 pp 1, 2

[Report by economic correspondent Avi Temkin]

[Excerpt] Israelis who travel abroad, beginning on April 1, will be taxed 2,000 (about \$50) to help pay additional allowances to large families.

Yesterday's decision to introduce the travel tax was taken by the ministerial economic committee after the cabinet approved a proposed 3 billion shekels addition to the 1983-1984 fiscal budget to finance its obligations under the coalition agreement.

The travel tax, along with the large families assistance law, must be approved by the Knesset this week.

Several liberal MKs yesterday denounced the reintroduction of a travel tax and said they will consider voting against the measure, which they maintained is against their party's principles.

The coalition partners decided last week to implement the large families assistance law, as demanded by the Tami Party, with an estimated cost of 2 billion shekels and to add 1 billion shekels to funds going to the schools and Yeshivot of Agudat Yisrael and the National Religious Party [NRP].

The cabinet yesterday approved this agreement, under which large families will receive from April 1 an additional child allowance, of 821 shekels for every child beginning with the fourth child. Some 75,000 families will benefit from this increase.

The cabinet decided to cut some 1 billion shekels from the budgets of civilian ministries to finance the funds for the NRP and Aguda and asked the ministerial economic committee to find ways of financing the large families law.

CSO: 4400/266

ISRAELIS MEET IN BUDAPEST WITH PLO MEMBERS

TA221541 Tel Aviv DAVAR in Hebrew 22 Mar 83 p 2

[Report by Hana Zemer: "The More Repression Increases, the Greater the Motivation"]

[Text] I held it all in, overcoming my journalistic instincts, for 10 days. Although I had reported to the Foreign Ministry, I published not a word about the meeting between a group of Israelis and one PLO leader and four other lower-ranking organization members in Budapest. I kept quiet because it was agreed that nothing would be written about it. Yet yesterday this was leaked in Israel, so there is no longer much point in keeping quiet, although the 24 pages of notes taken down cannot be abridged into this report.

At least insofar as the Israeli group was concerned, invited to visit Hungary to experience reality there, the meeting was a surprise. It was held at the initiative of the "Popular Patriotic Front" and the representative of the hosts there pointed out that the initiative came "with the help of the party." The great interest the hosts showed in holding the meeting was one of the outstanding aspects of that meet. In the brief consultation that took place between the members of the delegation (headed by the director of the "International Center for Middle East Peace Research," Arye Wa'ari), it was decided not to turn down the hosts' initiative, and so we ended up in a beautiful government-owned villa at the heart of town, over which there was obvious scrupulous guard.

After the attendants were introduced, Ashi Ivan expressed the desire to know how the Israelis view the chances for peace. The head of the delegation selected me to answer, and I can recall what I said only on those points which met with a reaction in the other party. I expressed my confidence that peace would indeed come even though I did not know when, and that when it comes I believe the Palestinians will live better with the Jews than with the Arabs, because I had heard both in Egypt and in Lebanon talk about the Palestinians that cannot be paralleled by anything I had heard in Israel. We do not degrade them or hate them; many of us regard them as "the Arabs' Jews," which is why we have sympathy for them. However, I said, there were distinct conflicts of interest. As for the PLO, right now we are enemies, and in order for that situation to change, the PLO must give up its Palestinian Charter which regards Israel as "evil" and "will," and it must also forsake the

path of terrorism, which is ineffective anyway, because it does not lead to a softened Israeli stance, but the contrary: It turns it more intransigent. It is a fact that Al-Sadat got more out of a gesture than he did through wars. After that, I broached the problem of the prisoners.

Abu Iyad, who described himself as "the person responsible for the revolution," explained that this is the job of an interior minister, and said he was well aware of the fact that terrorism does not soften Israel; but he said the PLO had to resort to the use of arms in order to be considered an element that counts in the Arab world and in order to work out solutions. "In 1968 we talked about a democratic secular state, and even this was unacceptable to the Arabs. Only thanks to our taking up arms were we able today to maintain the call for a Palestinian state in the West Bank and the Gaza Strip alongside Israel, in view of the developments." As for the argument against conflicts of interest, Abu Iyad went over this briefly, saying he was not sure there are differences in interests...the statement that at this stage we are enemies hurt him for some reason, and he went back to it a number of times during the conversation as though it was "a bitter pill to swallow." I asked: After all, are we not in a state of war? To which he reacted by saying that this is not something personal.

He does not believe peace with Egypt is a real peace, because most Egyptians refuse to accept it as long as it is a separate peace. "The more repressed the Palestinians in the Arab countries are, the greater their motivation toward having their own state. Israel may conquer the whole Arab world, but peace would not come and both sides would suffer."

"The charter," he said, "can be torn to pieces, but could we expect a change? We would only be splitting up the organization for no reason at all. Three months ago, in Tunis, we told Chancellor Kreisky that we are prepared to leave in his trust a commitment to revoke the charter, which he was free to produce the moment he gets a counterrecognition by Israel." Later the director of the Hungarian television's foreign broadcasts told us that Abu Iyad also said this in an on-the-record recording.

"The Israeli bombings in Lebanon were also a terrorist act. The protests in Israel, against the background of the disappointment from the Arab countries, did not go unheeded, and it was they that brought about a further shift in many PLO members in terms of their readiness to talk." The commission of inquiry's report did not seem to him to convey the whole truth, and he expressed the supposition that "the truth is spelled out in the secret part of the report."

Abu Iyad repeated the PLO's adherence to the Brezhnev plan, whose sixth clause constitutes recognition of Israel. He said this in reaction to Arye Eli'ari's remark that the Algiers summit resolutions were disappointing. Abu Iyad also said (and this, too, was nothing new) that the PLO was prepared to have a confederation with Jordan, but only on the basis of an independent state that could, if need be, serve as refuge for the Palestinians who for some reason or another would want to flee their current places of residence in whatever country they are dispersed.

Salah Khalaf paid special attention to the words of Mordekhay Bar-on, who spoke about his childhood in Rishon Leziyyon, his role in the wars against the Palestinians, and his remark that had he known in advance about the meeting and had time to consult with his colleagues from "peace now," he would not have gotten approval for this meeting because many support the Jordanian option.

Abu Iyad pointed out to me that he knows what differences mean because they exist with them, too, but he found it hard to comprehend how it could be that in such a small group of people he met from the Israeli side there are such deep differences of opinion.

The Israeli group also included (Walid Sadiq), who is a former Sheli MK, as well as painter Shmu'el Katz and journalists Arye Lahav from YEDI'OT AHARONOT and Arye Palgi from MA'ARIV. Abu Iyad was accompanied by two PLO representatives in Budapest, ('Abdallah Hijazi) and ('Atif Basisu) for whom this was the first encounter with Jews. The latter, aged 34, felt that the occasion was "surrealistic" and identified with the observation I had made that we are enemies. However, none of the other Palestinian representatives ever spoke, and apart from Abu Iyad's statements they only made scarce comment, and in hushed voices.

As I was writing this report, I was told that the PLO's news agency, Wafa has issued a denial of the meeting, so be it.

CSO: 4400/266

FRAYJ COMMENTS ON W. BANK, HUSAYN, MUBARAK

TAl61210 Tel Aviv HA'OLAM HAZE in Hebrew 16 Mar 83 pp 31, 32, 33

[Interview with Bethlehem Mayor Ilyas Frayj by Sarit Yishay, on 8 March in Frayj's office in Bethlehem]

[Text] Question: You met with President Mubarak in Egypt not long ago. How was that meeting?

Answer: It was a very good meeting, very open and frank. President Mubarak is a good man. He talked to me at length about the regional problems and the problems we experience under Israeli rule.

Question: I understand that a large part of your conversation was devoted to peace and that President Mubarak asked you to deliver a message to King Husayn?

Answer: That is correct. Already that day I flew to Amman from Cairo. In Amman I met the king, who has long been seeking a way to join the negotiations for peace.

Question: What did the king say about the chances of his joining the peace process?

Answer: He believes this historic chance should not be allowed to slip by. I cannot quote him, that would not be fair. This is what he told me.

Question: Did the king not transmit a message through you to the public?

Answer: The king is interested in joining the peace processes. He has accepted resolutions 242 and 338 and is prepared to go back to the 1967 borders at once.

Question: Do you see the king regularly?

Answer: I do not travel to Amman regularly, but each time I do, I meet him. The king is very realistic in regard to the peace processes and is a great believer in the Reagan plan. He believes that the U.S. desire to bring about

peace is sincere and honest. He is concerned with what is currently happening in the West Bank. The Judaization of the West Bank is disturbing him terribly, which is why he is prepared to enter the process of peaceful negotiations immediately and will be prepared to go back to the 1967 borders.

Question: And if Israel does actually return to the 1967 borders, will the Palestinians have him as their king?

Answer: The vast majority would. The question is whether Israel would agree to return to the 1967 borders.

Question: Let us imagine a hypothetical possibility where Israel does agree to return to the 1967 borders. Who will become the leader of the future Palestinian state: 'Arafat or King Husayn?

Answer: As you said, this is a hypothetical question, but no one has ever said that the West Bank would be part of the Jordanian Kingdom. It is in King Husayn's interest to reach a peace agreement. Time is playing into Israel's hands. It is establishing facts in the area all the time, setting up more and more settlements. If the situation continues, we will reach a state of affairs where it would be impossible to turn the clock backwards. Israel wants to have 100,000 Jewish inhabitants in the West Bank. This is a huge number. The day will come when no Israeli prime minister or government will be able to tell such a great number of people to leave the West Bank and get out of their homes. Time is beginning to shake the ground under our feet. I read in THE JERUSALEM POST that there are 267 Jewish companies in the West Bank, situated inside the settlements. This, too, is a frightening figure. Anyone could tell you that soon there will be such a situation where no solution can be found and it will simply be too late.

Question: I assume this, too, you made clear in your talks with King Husayn. What did he have to say about this?

Answer: We had a private conversation, yet one thing is clear: There is no point repeating the negative positions toward Israel. Anyone could tell you that this would not lead to anything. However, one thing should be clear: that the Arabs and the Jews must understand that Palestine belongs to the two peoples. Let Israel remain where it is, and the Palestinians live in the West Bank and the Gaza Strip, and let the two countries live side by side in peace, as equals, with mutual feelings of respect and trade and tourism ties. This is not just a vision for days to come. It can very well happen.

Question: Before the 6-day war did you describe yourself as a Palestinian or as a Jordanian?

Answer: I am a born Palestinian, and I carry a Jordanian passport, but first of all I am Palestinian.

Question: If Israel agrees to have Husayn and a Palestinian delegation join the peace talks, and if Israel agrees to return the conquered territories, what kind of country do you imagine would come into being, Jordanian or Palestinian?

Answer: When that time comes, the problem will then be resolved. There is no point discussing it now, when this is all hypothetical.

Question: One can safely assume that the Israeli citizens would like to know whether their neighbor would be Jordan headed by King Husayn, or Palestine under Yasir 'Arafat?

Answer: The citizens of Israel must understand that the Palestinians have their own just claims for a flag, a passport and their own address. It is impossible today to live without an address, and most of the Palestinians throughout the world nowadays are homeless refugees. We, the inhabitants of the West Bank, carry Jordanian passports. But what about all the others?

Question: You are not a West Bank leader popular in the PLO....

Answer: I do not think this is accurate. I am only sorry that some West Bank mayors oppose a Jordanian-Palestinian dialogue which, to my mind, is the only chance. It is a pity that there are people who do not comprehend that the majority of the public in the West Bank desires peace. They are tired, and are tired of the conquest, and live in constant fear of tomorrow. Their lands are being taken away from them. They want a solution, so that anyone who offers one and is ready to implement it will be acceptable to that public.

Question: Why were you not invited to be a member of the Jordanian-Palestinian delegation?

Answer: I assume suitable members for the delegation will be found. That delegation will have to receive Yasir 'Arafat's approval. You know that the PLO believes it must be the sole representative of the Palestinian people, and is not prepared to accept partnership in the representation. At least as far as the beginning of the road is concerned, I believe in partnership with Jordan.

Question: Is this the reason why you were not invited to Algiers?

Answer: Israel announced that none of us would be allowed to go to Algiers, and that anyone who did go there nevertheless would be penalized. I assume the organizers of the conference abstained from inviting us in order to save us the trouble and not to put us in a situation where we would have to refuse the invitation and give in to pressure and threats by Israel. Enough, enough! We cannot take the current situation any longer. I believe in peace. The inhabitants of Bethlehem believe in peace. If no real solution is found these very days, the situation will only grow worse.

Question: You are saying that the inhabitants of Bethlehem believe in peace, yet not long ago an Israeli who came here to shop in the market was killed, and Israeli cars are being pelted with stones. Are the Israeli citizens coming to visit Bethlehem welcome here?

Answer: Yes, they are welcome when they come, but only if they come without guns. We respect and honor them as neighbors.

Question: Who do you think should represent the West Bank in the Palestinian-Jordanian representation, when it joins the peace talks?

Answer: When the matter becomes relevant, we will discuss it. Believe me, there will be no problem finding people.

Question: Who do you think is suitable?

Answer: I cannot tell you.

Question: Are you interested in being a member of the delegation?

Answer: I will answer then when the time comes.

Question: Mr Mayor, despite your attempts to evade clear answer, I must ask you: Is it not clear to you that 'Arafat will never support a Palestinian-Jordanian delegation? Are all your efforts to set up such a delegation not in vain?

Answer: We will know what 'Arafat thinks in a few weeks.

Question: Are you looking forward to his reply?

Answer: We are waiting to see how the king and 'Arafat will handle this.

Question: Are they planning to meet over the Jordanian-Palestinian delegation issue?

Answer: Certainly, however the problem is not the king's or 'Arafat's. It is Israel's. Israel will create many problems. Israel is not interested in peace with the Palestinians. It wants to leave the situation the way it is. The Palestinians on the other hand are very much interested in peace with Israel, and for them peace means freedom, a home, a homeland, security. For them it spells an end to the military conquest and living like free, proud men alongside free and independent Israelis.

Question: There is hardly a day without incidents and clashes. Some time ago an Israeli girl driving a car through Al-Duhayshah was killed. What do you think about what is taking place?

Answer: I abhor any act of violence, of any sort. I repudiate the stone-throwing at Israeli cars, and I deplore the wild behavior of the settlers using live arms unscrupulously. There is another problem I would like to point out to you: When the Arab inhabitants of the West Bank riot, the army gets there quickly and immediately imposes a curfew on the villages. It immediately finds out who threw the stone - but not so when the settlers shoot or run riot. Then the army is not in such a hurry to rush to the scene and is not fast in detaining those responsible for the actions.

The settlers have no right to take the law into their hands: they have guns while we have rocks. This is David's war Against Goliath. They live on Arab

land snatched illegally. They should immediately cease harassing the Arabs, especially since four of them were apprehended and admitted their guilt. The law should be in the hands of the army and the police only, not in the hands of militias and fanatic gangs that take no account of anything and shoot out of hatred.

Question: Do you comprehend that Kahana's men, who have been arrested, have an alien mentality, not an Israeli mentality?

Answer: We certainly do. We know they are not Israeli but U.S. Jews whose conduct is not the Israeli mentality, but that of a cowboy, a racist mentality.

Question: How do you think the clashes between the settlers and the inhabitants of the West Bank can be stopped?

Answer: They begin and end with the settlers, who must understand that they are an eyesore to the Arab residents. Supposing a man wakes up in the morning and sees a whole new neighborhood being built on his land while he cannot say a thing. Why walk around so arrogantly clutching guns amidst Arab settlements? Why provoke? I object to violence. I call on ending violence from both sides, and I want King Husayn to join the peace talks together with a Palestinian delegation, because a solution must be found.

If a solution is not found, the situation would deteriorate not only for us, the inhabitants of the West Bank, but primarily for Israel, because if it realizes its dream and settle 100,000 settlers in the West Bank, this will be the end of democracy in Israel, and the dummy will rise up against its creator. We are currently undergoing a difficult, even critical period. If we do not hold on to the reins with both hands now, a situation could be created where there will not be a second chance for a dialogue.

If you ask me, Israel is not interested in a peaceful arrangement with the Palestinians, which is why the United States will have to pressure it before it is too late. This is 1 minute before the opportunity is lost forever. And believe me, this will be a shame, a real shame, if the Israeli democracy collapses, because then there will truly never be a chance for a dialogue.

CSO: 4400/260

ISRAEL

BRIEFS

PLO CONTROL AT ANSAR CAMP--[Report by Yehuda Tzur]--"Unfortunately, PLO elements are in control of the Ansar camp, and they are in actual fact controlling the life of the prisoners inside the prison camp," a military source reports yesterday. The source claimed that the IDF's policy is to allow the inmates to conduct their own private lives unimpeded, provided that they adhere to the rules of the place. Conducting their own private lives includes the preparation of their own food and activities, like studies and games. Two days ago the detainees rioted for 6 hours, demonstrating and flying PLO banners at the instruction of the PLO commanders being held in the camp. The security elements guarding the camp did not open fire or employ any violent measure against the rioters, but summoned the representative of the inmates and demanded that the rioting cease. This request was complied with and quiet again prevailed in the camp, which proves according to knowledgeable sources that the PLO officers enjoy unrestrained control in the camp. Knowledgeable sources have related that the hard core of PLO members detained at Ansar has recruited all the detainees, splitting them up into study groups. It is transmitting PLO ideology to the thousands of inmates there without interruption. In the last few months, various elements have accused Israel of letting the PLO have unrestrained control over thousands of men who are heads of families in Lebanese refugee camps, which is something the PLO could never attain prior to the war. [Text] [TA230951 Tel Aviv 'AL HAMISHMAR in Hebrew 23 Mar 83 p 8]

FIRING OF AL-FATAH MEMBER--The editorial board of the East Jerusalem paper AL-FATAH has fired one of its members, Ma'mun al-Sayyid, who was a member of the National Guidance Committee in the territories. Our correspondent Pinhas 'Inbari notes that the dismissal is connected to the struggle between the joint PLO-Jordanian committee and the circles that had formerly been part of the National Guidance Committee in the territories. The decision to fire Al-Sayyid was made at a time when he was confined to Kamallah by order of the military governor and the decision was implemented as soon as the confinement order expired. [Text] [TA201340 Jerusalem Domestic Service in Hebrew 1387 (MT 20 Mar 83)]

NEW JEWISH-ARAB BODY--Hadera--"Let's go together" will be almost of a Jewish, Palestinian nature being organized by a newly formed association for implementation of the Camp David agreements planned for next month. The association was founded by members of three kibbutzim--Kibbutz 'Aza, Hadera' and

Gan Shemu'el. It is working together with the Arab Village Leagues in Judaea and Samaria and moderate Arab leaders there. An Arab-Jewish conference is to take place in Bet She'an on April 6. [Text] [TA240709 Jerusalem THE JERUSALEM POST in English 24 Mar 83 p 3]

STATE BUDGET LAW APPROVAL--The Knesset this evening approved the state budget with the votes of the coalition. The budget total 1.124 trillion Israeli shekels. The debates and votes lasted about 6 and 1/2 hours and our correspondent in the Knesset Tzvi Yisre'eli points out that this is a relative short time compared to previous years. Many Knesset members gave up their right to justify their reservations and none of the 150 reservations that were submitted was accepted. The Knesset finance committee will tomorrow discuss the cuts that should be made in this budget in order to finance allocations to National Religious Party and Agudat Yisra'el religious institutions. [Text] [TA231619 Jerusalem Domestic Service in Hebrew 1600 GMT 23 Mar 83]

CSO: 4400/266

BCP DAILY INTERVIEWS LEBANON'S GEORGE HAWI

AU211430 Sofia RABOTNICHESKO DELO in Bulgarian 19 Mar 83 p 1-5

[Interview by Georgi Kaloyanov, "Representative of the RABOTNICHESKO DELO Editorial Board," with George Hawi, secretary general of the Lebanese Communist Party Central Committee, during the latter's recent stay in Bulgaria--no exact date or place of interview given]

[Text] George Hawi, secretary general of the Lebanese Communist Party Central Committee, visited our country at the head of a delegation of the Lebanese Communist Party Central Committee. Georgi Kaloyanov, representative of our editorial board, was received by Comrade George Hawi who was kind enough to grant him an interview for the readers of RABOTNICHESKO DELO.

Question: How can you describe the situation in Lebanon in connection with the Israeli invasion in summer 1982?

Answer: The present situation in Lebanon is more complicated than ever before. Our people, who have been suffering from domestic conflicts since as early as 1975, have constantly lived under the threat of Israel. The immediate Israeli aggression in our country began on 4 June 1982. This aggression, actually, was carried out in implementation of U.S. plans. It was part of the American government's policy against the national liberation movement and against the peace-loving forces throughout the world.

Our people today are suffering from the results of this merciless Israeli aggression. They are suffering from the interference of American imperialism in Lebanon, which is expressed by the presence of the American military contingent under the cover of multi-national forces, they are suffering from the political interference of the United States. Because of all this, our people live under the constant threat of a new civil war--of disorders--likely to produce the imposition of a fascist dictatorship in Lebanon, as well as the loss of democratic freedoms.

In our opinion the difficult and dangerous situation in Lebanon will not defeat the people's will, nor will it prevent their struggle, waged under the leadership of the patriotic forces in Lebanon, under the leadership of the Lebanese Communist Party.

Question: How can you describe the tasks of the Lebanese Communist Party at the present stage of development?

Answer: Because of the dangers I pointed out, our party has assigned itself three main tasks and has launched three main slogans;

The first is to restore Lebanon's national independence through the withdrawal of the Israeli occupiers. This withdrawal should be complete and unconditional. Of course, the condition is that this occupation should not be replaced by a new occupation, of U.S. troops in the area, which by no means represents a lesser threat to Lebanon.

The second slogan pertains to the preservation and consolidation of Lebanon's unity. We appeal to all patriotic forces in Lebanon to join this struggle as it is being waged at the present moment in parts of our country under our party's leadership and with the participation of the progressive Socialist Party, headed by Walid Junblatt.

The third slogan is to preserve democratic freedoms, a national characteristic of our people, an historical asset which they will never renounce and which they will always defend.

Question: Is there any danger of a division of Lebanon?

Answer: This danger exists and is considerable. When we say that this is possible, we never exaggerate. We do not even mean long-term forecasts in stating this. The process of the division of Lebanon has begun in some areas of the country. We are concerned about this division and we fear that it may continue and expand to other areas as well. It is obvious that Israeli Zionism and American imperialism have an overt goal: The division of Lebanon into individual small states, each of them representing a different stratum of the population and a different sect. The Israeli Zionists wish Lebanon to be divided into individual small states, so that Israel's security may be guaranteed at all borders. This is not only a question of geographical borders, however. There is question of the sociopolitical regime existing in the states that are Israel's neighbors. Israel's plan does not limit itself to merely dividing Lebanon, it also aims at achieving an analogous situation in Syria and then in Iraq, as well as in all the other Arab states of the area. This is why, in our opinion, the Lebanese patriots' struggle affects the struggle of all other patriots in the Arab countries. It serves the entire Arab national-liberation movement.

The main basis of our struggle waged against the divider is the struggle against the division of Lebanon. This is the reason why we appeal to all our friends, to all progressive forces in the world, to all peace-loving forces to intensify their solidarity campaign with our people's struggle, to exert the maximum pressure on the divider in implementing its internal plans--the division of Lebanon.

Question: What is your opinion on the action of the Lebanese Patriotic Council in the elections?

LEBANON

AL-MURABITUN ON NATIONAL RESISTANCE, TALKS

NC191912 (Clandestine) Voice of Arab Lebanon in Arabic 1730 GMT 19 Mar 83

[Text] The higher central political committee of the independent Nasirite movement-al-Murabitun has held its periodic meeting under the chairmanship of brother Ibrahim Dulaylat, the leader of the movement.

After reviewing the agenda, the committee discussed the political and security situation in the country and at the movement's level as well as Arab and international questions.

The committee issued a statement in which it greeted the members of the Lebanese national resistance, whom the committee stressed are the vanguards who believe in God and their cause and who have started to carry out their duty in implementation of the revolutionary decision to resist and confront the occupationist enemy.

On the current negotiations with the Israeli enemy, the statement says that the proceedings at these meetings are to a great extent similar to the proceedings that preceded the signing of the Camp David accords. On the basis of this belief, the al-Murabitun political committee asserts that should these proceedings continue they confirm the fear that the negotiations, be they held in Enklab, Qiryat Shmona, Netanya or in Washington, are considered a prelude to the 1976 Arab tent (reference to venue of Egyptian-Israeli talks in tent 101) and to the collective Camp David.

(S): 1500/269

LEBANON

IHDIN RADIO ON FRANJIYAH PRESS CONFERENCE

NC230934 Ihdin Radio of Free and Unified Lebanon in Arabic 0730 GMT 23 Mar 83

["Text of press conference held by former President Sulayman Franjiah in his palace in Zgharta on 22 March--read by announcer]

[Excerpts] Question: The continuation of the Lebanese operations of confronting the Israeli occupation forces is inflicting more losses in the ranks of the enemy. Do you think that this will lead to a widespread liberation war? And will it continue?

Franjiah: I would have been surprised if the opposite were true. In other words, I would have been surprised if our country slept throughout the night with an easy mind while an enemy army occupies it. A thousand thanks to those who are spurred by their Lebanese dignity to wreak vengeance as much as they can. I wish that future incidents will soon be a hundred times more than what they are now.

Question: Mr President, do you believe that these operations will lead to a change in Israel's stand?

Franjiah: Undoubtedly. Your enemy understands only the language of force.

Question: Attacks are continuing on the multinational force. Do you think that these are planned by Israel?

Franjiah: These attacks are planned. Their purpose is to stir the U.S. public opinion to withdraw this force from Lebanon--the only force that is supposed to stand in front of the enemy when he attacks the peaceable people of Lebanon.

Question: His beatitude the Greek orthodox patriarch has called for action to prevent the Judaization of the city of Jerusalem. In your view, how can this be achieved?

Franjiah: The Judaization of Jerusalem, in Israel's view, has become an irrevocable fact. The only way for us to make Jerusalem Arab again, particularly West Jerusalem, is to call for a Holy Jihad. I hope that these heads of the communities in Lebanon, Syria and all the Arab countries will jointly call their peoples to this Jihad.

INDUSTRIALISTS CALL FOR GOVERNMENT AID

Paris AN-NAHAR ARAB REPORT & MEMO in English No 8, 21 Feb 83, pp 8-10

[Text]

The plight of Lebanon's war-ravaged industries, the need to reschedule debts and for long term loans at concessionary rates were the keynotes of Lebanon's first General Industrial Congress held last week at the *Maison du Futur* near Beirut. There were also pleas for lower energy costs and cuts in bank interest rates as well as for protection for Lebanese industries against goods smuggled into the country through illegal ports or from Israel.

Roadad Abi-Saleh, President of Lebanon's Industrialists' Association, listed at the end of the two-day meeting the resolutions adopted by the congress. These called for:

- Activation of a governmental decree on debt rescheduling.

- Creation of a fund of LL 700 million (\$175 million) to provide industries with long term loans at reduced rates of interest.

- A cut of at least 50 per cent in the price of electricity.

- A reduction in bank interest rates.

- Support for local industries by obliging the government to buy Lebanese products for use by the public sector.

Mr Abi-Saleh then called on the Lebanese Ministry for Industry and Oil to formulate an overall strategy in which industrialisation of Lebanon was the country's official economic policy. Mr Abi-Saleh said that such was the list of the government's priorities must be the creation of a Higher Council for Industrial Development bringing together representatives of the Ministry for Industry and Oil, specialised institutions and the Industrialists' Association.

On aims of the strategy, Mr Abi-Saleh stressed, must be to provide industries in Lebanon with security and the financial resources that they need to function properly and to help industry reduce its running costs. An important element in these costs were salaries. Mr Abi-Saleh said, and he recommended that these should be taken from a government salary scale rather than by law. It is

must also receive protection for its local markets in Lebanon, he added, and he appealed to the government to end smuggling, to enforce Lebanon's anti-dumping law and to re-establish customs dues. Finally, Mr Abi-Saleh said, the government's strategy for industry should aim to help Lebanese industry export its produce by fixing the rate for the Lebanese pound vis-a-vis the dollar and by assisting exports through bilateral trade agreements with as many countries as possible.

The catalogue of woes of Lebanese industries is a long and doleful one made even more painful by last year's Israeli invasion. War damage to industrial plant and equipment since 1975 is estimated at LL 8 billion (\$2 billion) and Israeli forces destroyed some 25 of the country's larger industrial units last year as well as damaging scores of smaller manufacturing plants. In the textile industry alone, 70 firms had their plants entirely destroyed by the Israelis, another 20 were partially destroyed and the output from a further 150 was reduced to roughly one-third of productive capacity. And the textile industry

Lebanese industrial exports (in LL 000s)

Product	1982	per cent change	1981	per cent change	1980
Foodstuffs	52,540	10.2	47,540	- 7.2	51,187
Soya bean cake	47,514	46.2	32,497	- 21.3	41,333
Mineral water	23,641	- 28	32,825	- 39.4	54,188
Beverages	24,033	13.5	21,158	- 15.7	25,383
Garments	196,788	- 37	312,472	91.6	163,009
Textiles	46,467	- 11.6	52,588	117.5	24,171
Tanned hides (excluding shoe leather)	17,743	- 0.1	17,764	2.2	17,369
Shoes	13,720	- 24.1	18,100	- 19.1	22,387
Carpets	59,593	14.6	50,917	24.9	40,735
Compressed wood	2,289	- 85.7	15,979	- 23.8	20,983
Wooden furniture	29,392	- 38.9	48,142	29.7	37,092
Chemicals	118,029	- 17.1	142,522	3.6	137,464
Paints	70,324	41.1	49,819	9.0	45,701
Pharmaceuticals	48,489	15.2	42,077	4.8	40,128
Paper and its products	30,920	16.6	37,085	10.8	33,451
Cardboard products	46,318	- 10.2	51,581	49.1	34,585
Non-metallic mineral products	147,974	- 59.2	363,368	93.8	135,879
Cement	227,257	- 5.7	241,084	- 14.6	282,521
Metal products	182,956	1.6	180,040	28.3	140,279
Aluminium products	90,343	- 36	141,191	26.9	111,258
Ironmongery	20,546	- 10.3	22,824	88.7	12,089
Electrical equipment	114,790	- 10.1	127,716	74.9	73,006
Industrial machinery	88,489	- 9.9	98,224	20.8	81,333
Plastic products	94,497	6.9	88,350	4.2	87,746
Miscellaneous products	129,510	- 13.1	149,011	36.6	109,007
Total	1,924,529	- 15	2,285,160	25.6	1,819,284

Sources. *Le Commerce du Liban*: (figures for 1982) and *The Lebanese Economy in 1981-82* (1980-81)

had been in serious trouble ever since the outbreak of war in 1975, with fewer than 600 of the 1 200 factories in Lebanon before the war still functioning prior to the invasion by Israel.

Many of these were, of course, small business employing a handful of workers, but the victims of war also included large units such as the Filature Nationale du Coton, the largest cotton spinning and weaving plant in the Middle East. This factory has had to lay off all but 450 of its prewar payroll of 3,500 workers. Employment in textiles fell from about 50,000 workers in 1974 to roughly 12,000 in 1981 and has dropped still further since then.

The textile industry had enjoyed customs protection and export subsidies between 1967 and the outbreak of war, which brought both forms of aid to an end. Cheap and uncontrolled imports from Hong Kong and other countries through Lebanon's illegal ports have since made it very difficult for Lebanese manufacturers to compete either in their home market or abroad and the problems of manufacturers have been compounded by the fact that government assistance when it was available was treated all too often as a source of quick profits rather than used to raise productivity.

Much the same fate has befallen Lebanon's shoe manufacturers. They produced about 6 million pairs of shoes in 1973, of which one-third were for export; by 1981, the impact of unrestricted imports, notably from Italy, had reduced the output of shoes in Lebanon to an estimated 1.5 million pairs, exports had virtually ceased and imports now meet about 80 per cent of local demand. Furniture-making and industry based on wood and wood products have likewise been hit hard by imports.

Israel's economic penetration of Lebanon has piled on additional misery for Lebanon's industries both by undercutting Lebanese prices for goods Israel is selling here and by making it more difficult for Lebanese exports of some goods. More than 90 per cent of Lebanon's export trade is with other Arab states and Saudi Arabia has already imposed restrictions on imports of several categories of goods from Lebanon to keep out boycotted Israeli products. Reports that some enterprises in Israeli-occupied southern Lebanon are keeping busy relabelling and repacking Israeli-made goods will not make the task of legitimate exporters any easier.

According to figures from the Israeli authorities, the one-way trade with Lebanon has grown steadily from \$500,000 in June of last year when the invasion began to \$9.3 million in October, the latest period for which figures are available in Beirut. Prices of Israeli exports are considerably cheaper than Lebanese-made goods. Israeli cement, for example, is sold in Lebanon for LL 18 (\$4.10) a sack while Lebanese cement sells for LL 23 (\$5.25). Israeli-made ceramics or porcelain tiles are LL 10 (\$2.35) per square metre, cheaper than Lebanese-made tiles.

and biscuits similar to those obtainable from Lebanese bakeries for LL 20 can be had from Israel for LL 8 (\$2) to LL 9 (\$2.25) for the same quantity. Further damage to the Lebanese economy is being inflicted by Israel by the imposition of customs duties levied on goods landed through the Israeli-occupied ports of Tyre and Saida, with the proceeds being paid to the Haifa port authority.

If competition from Israeli industries was the only problem, the cries for help of Lebanese industrialists would not be as loud as they are today. Indeed, a recent survey of Lebanese industry in Beirut's weekly *Le Commerce du Levant* listed 12 separate sources of trouble. Topping the list was smuggling and some indication of the seriousness of this problem can be garnered from the fact that the Lebanese Treasury budgeted to collect LL 2 billion (\$500 million at the current exchange rate) in customs dues last year and actually received LL 404 million (\$101 million). Part of this loss, however, was due to the closure for more than three months of the Port of Beirut and Beirut International Airport, the two main collection points for customs payments.

Israel's trade with Lebanon was listed second, followed by the difficulties due to the presence of foreign forces for Lebanese manufacturers to reach export markets in the Arab world by overland routes through Syria and by boycott-related resistance to Lebanese exports.

The beginnings of protectionism in Arab markets are another problem for Lebanese manufacturers, as is competition in these markets from goods from Southeast Asian countries. This competition is augmented by imports through illegal ports in Lebanon of these goods which are then relabelled fraudulently as "Made in Lebanon" for re-export to Arab markets.

The other problems listed by the survey are the departure of skilled workers from Lebanon, driven away by war and the lure of high pay in the Gulf, and the increase in the costs of inputs, notably those for fuel oil and electricity. Breakdowns in Lebanon's infrastructure, notably for transport, communications and the generation of electric power, destruction and insecurity are cited by the survey as well as the age of the machinery in many factories, a serious question for the future. Finally, the survey notes the sharp rise in the value of the Lebanese pound last autumn and the high rates of interest that prevailed until September of last year as handicaps to industry.

The situation is not, however, entirely black. The purchase earlier this month of the near-bankrupt OKAL woodworking factory by a group of Saudi Arabian businessmen is a pointer to continuing confidence that Lebanon can eventually overcome its present difficulties. The factory, renamed the New OKAL Company, was purchased for LL 18 million (\$4.5 million) and its new owners plan to inject LL 12 million (\$3 million) in new capital to resume production of wooden doors (Amman Arab Report & MEMO February 14).

The New OKAL factory can expect to prosper from reconstruction orders. So, too, can the Al-Mashrek and Soliver glass manufacturers and the Sibline cement factory and the capital of these three firms has been increased to finance expansion. Two other cement plants at Chekka have been modernised to cope with increased demand.

What is more, Lebanese entrepreneurs continued to invest in new industrial plant in 1982 and despite the ravages caused by the Israeli invasion the Ministry for Industry and Oil approved 20 projects with a capital of LL 88 million (\$22 million). Food and beverages took the largest share of this and a single factory to clean, pack and conserve foodstuffs in northern Lebanon headed by Mahmoud Abdel Raouf Adlouni accounted for half of the capital for the authorised projects. Two small firms even ventured into the troubled textile sector, one to manufacture military uniforms and the other to make ready-to-wear clothes. The new factories were authorised to import machinery with a value of LL 51 million (\$12.5 million).

Even when faced with the horrendous difficulties that halted economic activity in many parts of Lebanon for over three months last year, Lebanese manufacturers managed to export goods worth LL 1.9 billion (\$475 million) and the fall of only 15 per cent when compared to Lebanon's 1981 exports shows clearly that some industrialists managed to overcome problems and get their wares to market. And as the accompanying table shows, a number of Lebanese industries managed to buck the prevailing downward trend and increased their sales abroad.

Clearly, there is still life in Lebanese industry and, as the proverb reminds us, where there is life there is hope.

BANKERS' ASSOCIATION PRESIDENT INTERVIEW

PARIS AN-NAHAR ARAB HISTORY & MEMO In Arabic, Vol. 1, 2 Feb 83 pp 6-8

[Text]

As Lebanon starts itself up for the task of reconstruction after eight years of war and insecurity, attention has been focused on the role which the banking sector can play in the effort to rebuild the Lebanese economy. *An-Nahar Arab Report & MEMO* approached Dr Asaad Sawaya, President of the Bankers' Association of Lebanon, for his views on how the banks can best contribute to recovery. The following are Dr Sawaya's written replies to a list of questions we submitted to him.

Q According to the latest estimates by the Council for Development and Reconstruction, the Lebanese government will need about \$1.68 billion to cover reconstruction costs between now and 1991.

In what way do you think the banking sector can and will contribute to the national effort for the reconstruction?

A We have to distinguish two aspects of the reconstruction operation: projects relative to the public infrastructure, and those relative to the productive sectors. The former constitute the most important part of the reconstruction process and are to be implemented by the competent authorities. It is worth noting that Lebanon not only faces the task of rebuilding its infrastructure destroyed during the war, but also has to catch up with its long public investment.

However, the productive sector also has a role to play. The contribution of the private sector (and banks in particular) is very important in this sense. Banks are facing a large number of enterprises that need credit to replace lost equipment, etc.

Reserving credits of liquidity (loans) are not enough to restart the productive apparatus and play during a first emergency phase. Hence, reconstruction of productive activities involves the use of credit requiring medium and long term credits. The role of the financial institutions should be supported by the public authorities. The banking sector would provide short term credit and its knowledge.

Last year, the Lebanese Government granted the industrialists a L.L. 400 million (\$10 million) loan which was managed by banks.

Q. In its present state, how able is the banking sector to meet the challenge of reconstruction?

A. Unfortunately, the Lebanese banking sector has only short-term resources; this makes it practically and legally impossible to meet demand for the long-term and low-interest credits that are necessary for reconstruction. However, banks are already financing the productive sector's heavy investments, mainly in the form of revolving credits. This practice may compensate for the shortage of specialised financing institutions, but it is too costly in times of reconstruction.

A programme of reconstruction must envision the creation of specialised funds for industry, agriculture, housing, etc. The banking sector could play a prominent role in managing such programmes.

Q. What effects, both good and bad, is reconstruction likely to have on Beirut's efforts to regain its position as a regional financial centre?

A. The monetary gap in Lebanon is large; this is economic stagnation. This gap was made more acute during the past 6 years when the average economic growth rate (in current prices) did not exceed 15 per cent, while the consolidated balance sheet of the Lebanese commercial banks showed a growth rate of 30 per cent. The total assets of the banking sectors are 250 per cent lower than the GNP.

Reconstruction will open up new possibilities of investment for the banking sector, and will, therefore, strengthen its regional role. It is to be noted that a number of Arab money markets were able to attract capital but did not provide opportunities for investment and that they remained passive.

The new opportunities offered by reconstruction can only have positive repercussions and will necessarily promote Beirut's return to its role as a major financial centre.

Q. You have recently stated that new laws covering banking and finance were required if the Lebanese banking system is to perform properly.

What specific laws does the Banking Association feel are required, and by what specific reasons do they feel they are required?

A. Within the framework of an established strategy setting the banking structure of Lebanon, the Banking Association has called for a number of reforms.

Adopting the necessary measures to allow the current short-term capital flows (in current or credit form) to meet the requirements of reconstruction.

The creation of an efficient banking and financial system for reconstruction financing flows within a framework of the national economy.

"drain" had a positive repercussion in the sense that it bolstered relations between foreign and Lebanese banks, and thus, helped Beirut retain its position as a monetary centre. Furthermore, this coincided with, and facilitated the opening of Lebanese banks branches abroad.

Q: You spoke recently of the need to refurbish telecommunications and other amenities. How high a priority would you put on this ?

A: Sound communications are a must for a banking centre. This is the reason why the Bankers Association has always called on the public authorities to ensure adequate telephone and telex services – for local and international communications. Improving communications networks and services are all the more necessary as banks are acquiring advanced methods and equipment such as computers and telematic systems. In this respect, the Bankers Association and the PTT Ministry are examining the possibility of setting up an inter-bank communication system.

Q: How do you feel Lebanon can avoid the inflationary effect of the rapid expansion in the economy ?

A: Any reconstruction operation implies some inflationary tensions which can be curbed through an adequate investment policy. The state should encourage productive investments (industry, tourism, etc) at the expense of certain activities such as real estate.

On the other hand, normalisation will remove some of the difficulties and settle a number of problems (market dispersal, parallel taxation) which had led to price increases.

A sound application of the law of the market would also ensure the best economic prices to the Lebanese consumer. The Lebanese state could work on a social and fiscal policy that would ensure a better distribution of income with a view to reducing the effects of inflation on the low-income households.

Q: Many foreign businessmen are complaining about the over-valued rate of exchange for the Lebanese Pound at present, and the fact that this hinders their return to Beirut.

How important do you feel the return of foreign business will be and do you feel that the present exchange rate for the Lebanese Pound is likely to persist ?

A: We do not think that the reevaluation of the Lebanese pound would be a major obstacle to the return of foreign firms to Lebanon. On the contrary, a strong Lebanese pound would be beneficial, mainly when it come to re-exporting capital or profits. Concerning the exchange rate, the Lebanese financial market being a liberal one, rates are determined by offer and demand. In the past two years, the Lebanese pound was under-valued because

of the political events. The hopes pinned on the new régime have prompted a readjustment of the situation. This readjustment was somewhat sudden but, in the final analysis, it was only a return to normal.

CSO: 4400/232

FINANCIAL PROBLEMS OF RECONSTRUCTION VIEWED

Paris AN-NAHAR ARAB REPORT & MEMO in English No 7, 14 Feb 83 pp 1, 2

[Article by Marwan Iskandar]

[Text] There is a lot of activity in Lebanon intended to move the economy forward. A World Bank team is concentrating on infrastructural requirements and the possibilities for internal financing for developmental projects through a combination of government guarantees and financing from the private sector. Experts from the US Agency for International Development (USAID) are working very hard on drawing up a plan to improve tax collection procedures and possibly to introduce some taxes which do not hinder development at present in Lebanon.

The World Bank mission has to finish its report for the framework of Lebanon's future development by mid-March. This is supposed to be the final report which will identify financial requirements and will be the working paper for the international group which will be invited to a meeting in Paris during April. The effort to secure commitments to finance Lebanon's development is along similar lines to those adopted on behalf of Egypt after the 1973 war.

In Lebanon, the picture as it evolves shows greater needs than has been predicted previously. As the table accompanying this article shows, a rough estimate puts projected financial requirements at about \$15 billion over the coming five years. Countries interested in Lebanese reconstruction and development cannot pledge this volume of required investment. At best, \$5 billion can be hoped for over five years from Western industrialised countries; if Arab countries are still willing to help, a realistic expectation from them would be of the order of \$500 million a year.

The residual financial requirement of \$7.5 billion should presumably come from private sources, whether through the banking sector or by direct investment undertaken by rich Lebanese who have accumulated substantial wealth from their work in the oil-rich countries during the past 10 years. These individuals are no longer able to achieve the profits which they have been reaping from the oil-rich countries as the resources of these countries are dwindling. This is due to lower volumes of export of oil and lower prices, factors which dictate a much slower rate of development and

requirement for foreign expertise. Consequently, the successful Lebanese businessmen with lower current incomes will have to decide whether or not to move some of their accumulated wealth into Lebanon.

This process of decision-making is more complicated than simply transferring part of current profits to Lebanon. During the years of plenty, Lebanese business leaders were using their profits for investments, in particular outside Lebanon. These investments cannot be liquidated at short notice for reinvestment in Lebanon. The process is more time-consuming than the transfer of available liquid funds would be from public institutions and international agencies. Moreover, to effect transfers, these wealthy Lebanese will have to compare the rewards of investing in Lebanon to returns they are achieving on their international investments. For a cosmopolitan group like these Lebanese, national considerations are not sufficient to guarantee a positive response irrespective of economic considerations.

In consequence of the above considerations, it would appear that the banking community would be called upon to provide the larger part of the \$7.5 billion financing required to meet the estimate of total costs, assuming the other half is pledged to Lebanon as a result of the World Bank's efforts.

This volume of available funds is not beyond the means of the Lebanese banking community. In fact, projecting normal increases in resources for the banks, the figure does not even constitute a challenge over a period of five years. Today, about 50 per cent of the resources of the banks are not utilised because the security situation does not encourage them to extend loans for government-sponsored projects at reasonable rates of interest in order to offer as much money as is needed. But there is still lack of coordination between bankers on this score and a measure of rigidity in the laws that govern banking practices in Lebanon. Greater flexibility must be introduced by legislation and through coordination with the Central Bank if a large part of the resources of private banks is to be mobilised for reconstruction. It is somewhat surprising that the Lebanese, who are gifted innovators, have not developed the procedures to use their own resources to back up their development objectives.

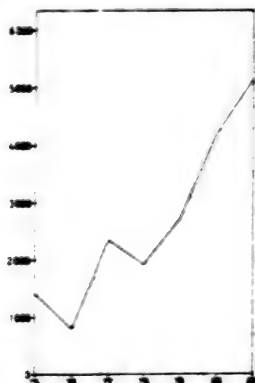
If such changes in legislation and coordination between the Central Bank and private banks come about, then private investors among successful Lebanese business leaders would be encouraged to divert some of their

wealth towards Lebanon. It is possible that they might draw on facilities in Lebanon against assets abroad to undertake profitable projects in Lebanon. There is no lack of such projects, although there is fear about how long there will be uninterrupted peace in the country and this would influence economic results.

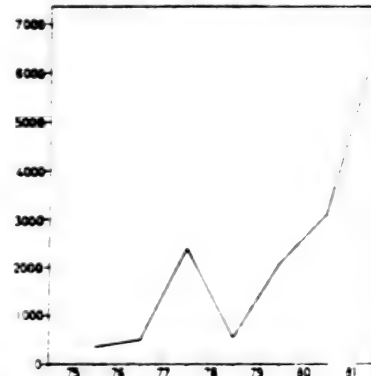
Consequently, the whole web of expectations turns back to the question of security and whether Lebanon will remain intact as a society and a nation in the foreseeable future. Present indications are not encouraging, but the strong latest drive to recreate a free Lebanon will prevail in spite of apparent hazards. This is because

LEBANON'S KEY ECONOMIC INDICATORS

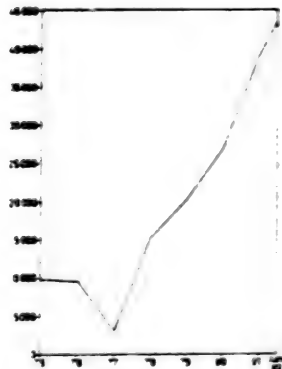
Lebanon's exports of goods,
1975-1981
(Millions of Lebanese Pounds)



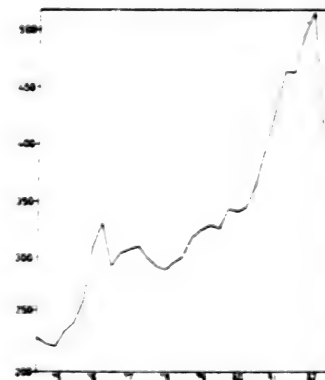
Lebanon's balance of payments,
1975-1981
(Millions of Lebanese Pounds)



Total deposits of the commercial banks,
1975-June 1982
(Millions of Lebanese Pounds)



The U.S. Dollar exchange rates on the Lebanese market,
1975-1982 (Lebanese Piastres per Dollar)



the average Lebanese is at a loss to interpret his future outside the scope of a united Lebanon.

The Lebanese have given up counting on positive moves by the other Arabs as a solution for their problems; at the same time, however, they realise that Arab countries could take actions that would be very damaging to Lebanon's interests if they should react in a negative way to Lebanese political decisions and commitments. This unusual state of affairs makes it imperative that the Lebanese Government beware of antagonising Arab governments because these can easily use the excuse of political divergences to shy away from commitments to assist Lebanon financially. At present, the Arab countries are waiting for such an excuse and the Lebanese realise that they must themselves make the biggest push forward, taking care meanwhile not to let reactions from other Arabs hinder their efforts.

Lebanon's reconstruction programme (1982-1991)

(in L.L. millions)	Local costs	Foreign currency costs	Total
Housing	15.000	5.000	20.000
Schools and education	3.200	2.500	5.700
Roads rehabilitation	2.800	—	2.800
Highways	4.550	3.550	8.100
Ports	1.000	200	1.200
Beirut International Airport	1.000	250	1.250
Railways	40	60	100
Public transport	30	70	100
Drinking water and irrigation	3.700	900	4.600
National waste management plan	2.400	800	3.200
Telecommunications	1.200	2.300	3.500
Electricity	700	4.100	4.800
Hospitals and public health	720	280	1.000
Agriculture	150	150	300
Beirut central district	2.500	1.350	3.850
Aid programme to the private sector	4.500	3.000	7.500
Total	43.490	24.510	68.000

Remarks:

- 1- This table does not include expenditures required for re-equipping the Lebanese army and legal armed forces;
 - 2- The figures in this table are preliminary estimates and will be readjusted according to progress in implementation;
 - 3- In addition to those listed here, new projects might come up in the meantime and would be inserted then in the programme.
- Source: Lebanon's Council for Development and Reconstruction.

CSO: 4400/232

BRIEFS

'LEFTIST PAPERS' BANNED--Commander of free Lebanon Maj Sa'd Haddad issued the following this morning: In view of the psychological damages caused by the leftist Lebanese newspapers and magazines and in order to consolidate the unity and calm in free Lebanon, the following has been decided: The entry of the leftist newspapers and magazines such as al-Safir, al-Liwa', al-Nida' and al-Mustaqbal into the state of free Lebanon is banned effective tomorrow, 23 March. Officials in the army of free Lebanon and the national guard are assigned to implement this decision and to take disciplinary measures against the defaulters. [Text] [NC220713 Marj 'Uyun Lebanon Voice of Hope in Arabic 0600 GMT 22 Mar 83]

TAPLINE HALTS OPERATIONS--Tapline, a US subsidiary of the Arabian American Oil Company (ARAMCO), has decided to shut down the pipeline carrying crude oil from Saudi Arabia to the Zahrani refinery in southern Lebanon, it was reported last week. The company explained that it had lost about \$350 million on its Lebanese operations since 1975. The installations at Zahrani were damaged by Israeli air raids in 1981. Repair work was carried out but further damage to the pipeline and storage tanks was inflicted during last summer's invasion of Lebanon by Israel. A spokesman for Tapline said the company was not prepared to repair the new damage "for political and security reasons." Parts of Tapline's installations are currently occupied by the Israeli army. Since last summer no Saudi crude has been pumped to the Zahrani refinery, which is owned by the Lebanese government and operated by Medreco. The refinery is currently supplied with crude oil delivered by sea. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English No 7, 14 Feb 83 p 7]

CSO: 4400/232

SAUDI PRESS COMMENTS ON ISRAEL'S POLICY

GF301030 Riyadh Domestic Service in Arabic 0400 GMT 30 Mar 83

[From the press review]

[Excerpts] The newspaper AL-JAZIRAH today writes: "A few days ago a Syrian official announced that Israel is preparing for an imminent war against Syria. Last Sunday and Monday the Israeli forces stationed at al-Far'awn [Al-Qar'un] Lake South al-Biqa' Valley used heavy artillery to shell the Syrian forces positioned South al-Biqa' Valley."

The newspaper continued: "According to our understanding of the Israeli political mentality which serves Israel's goals through military action, the skirmishes that were initiated by the Israeli artillery shelling of the Syrian Arab forces in al-Biqa' Valley cannot be separated from Israel's behavior in the negotiations with Lebanon and its measures in the occupied West Bank. The strategy has one ultimate goal to liquidate the Palestinian cause so that Israel will be relieved of this headache--a headache which Israel seems to have realized it should eliminate, especially after the October war taught Israel a hard lesson about what Arab solidarity and reunited force could do to it."

The newspaper 'UKAZ today discusses the current situation resulting from Israel intransigence in the negotiations with Lebanon, the Zionist enemy and the United States. Under the headline: "What is Habib doing at the Lebanese negotiations?," the newspaper writes.

"The tripartite Lebanese-Israeli-U.S. negotiations have taken too long and exceeded the limits of Lebanese and Arab patience. The United States has limited itself to statements stressing the necessity of Israeli withdrawal from Lebanon, and Habib shuttles between Lebanon and the Zionist state."

The newspaper affirmed that Israel does not want a quick solution nor does it want to withdraw from Lebanon because it wants to set conditions that will allow it to make use of the invasion of Lebanon and consequently carry out the plans for which it has invaded Lebanon.

The magazine AL-YAMAMAH writes this week: "The course of negotiations has recently been changed and is now moving rapidly due to many pressures--foremost

of which seems to be the approach of the U.S. presidential election that will take place in 1984. This election, they say, does not give much time to the U.S. president and his initiative."

The magazine added: "Perhaps it is logical to say that it would have been more beneficial to settle the Israeli-Lebanese negotiations and make their results public because this would have bolstered the conviction that the negotiations with Israel, and the U.S. participation and auspices are useful. Israel has put forth obstacles throughout the negotiations with Lebanon--one about the normalization of relations, and one about Sa'd Haddad, his future and fate. We have noticed that Washington stood by watching and did not pressure Israel into giving up its stands."

The magazine added: "Perhaps the pretext of holding and accepting the negotiations will make it possible to convince Israel not to expand settlements in occupied territory and will speed up Israel's withdrawal from Lebanon. Perhaps this pretext requires a great deal of thinking. However, many people believe that these negotiations will achieve nothing much except the improvement of Reagan's electoral position during the next phase.

CSO: 4400/268

RIYADH COMMENTS ON LINK BETWEEN LEBANESE, MIDDLE EAST PROBLEMS

LD201631 Riyadh Domestic Service in Arabic 1130 GMT 20 Mar 83

[Salih Hasan al-Tawati commentary]

[Text] Despite exhaustive efforts by Lebanese officials in an attempt to separate the Lebanese problem from the problem of the Middle East and to tackle it as an isolated issue, the circumstances of the Lebanese problem and its causes do not permit such a separation. It is because the Lebanese problem is not an independent problem in itself. Rather, it is one of the by-products of the Israeli presence in Palestine and of the Arab-Israeli conflict. Therefore, it is not possible to look at the Israeli military presence in southern Lebanon in isolation from Israeli ambitions with regard to Lebanon's territory, waters and strategic position.

The Lebanese problem is therefore part of the basic issue of the conflict namely, the Palestinian issue. Solution of the Lebanese problem would facilitate a settlement of the Palestinian problem. Therefore, failure to reach a solution to the Lebanese problem would leave the submitted plans for peaceful settlement--including the American initiative--merely proposals on paper to be discussed at the appropriate time. And the present time is rather premature from the Israeli point of view after Menachem Begin's government has turned the Israeli Army's occupation of southern Lebanon in particular into an issue linked to what it calls Israeli security. More precisely, and according to the Israeli point of view, southern Lebanon has become the key to Israeli security, despite the failure of this claim in light of the guarantees offered by Lebanon to consolidate security and stability in the south, and its pledge not to allow any actions that may cause concern on the northern borders of occupied Palestine.

However the problem of Lebanon, as Israel planned it through the military invasion of Lebanon, was intended to partly obliterate the view of what is happening inside the occupied Arab territories. Indeed, the fog of the Lebanese problem, the negotiations crisis and Israel's conditions for withdrawal, have provided Israel with an opportunity to double the rate of construction of settlements.

Because the plan for Zionist settlement in the West Bank and Gaza sector has not yet been completed, continuation of the Lebanese problem in order to freeze

the question of peaceful solutions becomes a necessary prerequisite for Israel requisite until Jewish settlement in occupied Arab territories is completed and in order to make the question of Israeli withdrawal from these territories more complicated and harder to achieve.

It is certain that all sides concerned with peace in the region, including the United States, are aware of the danger of Israel's exploitation of the time factor in achieving its expansionist aims. Israel intends to impose a new reality and to create extremely dangerous side problems the aim of which are to distract attention from the basic issue for a number of years, after which this reality would become a matter of fact and would attract no controversy, at least from Israel's side.

From the statements made by a number of Israeli officials in which they refer to the need for the Israeli Army's presence in the south of Lebanon for 2-3 years we can immediately [words indistinct] settlement plan in the West Bank and Gaza sector needs that amount of time. During that time, the attention of the Arab world, international public opinion and the superpowers will be preoccupied with what Israel is doing in southern Lebanon while it forges ahead with the Judaization of occupied Palestinian territory.

From this stems the responsibility of the United States, as His Majesty King Husayn of Jordan stressed yesterday in a press interview in London. He warned against ignoring the time factor which Israel is exploiting in order to achieve its ambitions. Israel relies on America's reluctance to use military and economic assistance to Israel as a means of pressure to force Israel to withdraw from Lebanon and to begin discussion on peaceful solutions to the Palestinian problem, which has been the essence of the existing conflict for 35 years.

In any case, the possibility of achieving peace in the region largely depends on the amount of pressure which the United States will exert on Israel in order to close the file on the Lebanese problem, and on how far the United States will go in cooperating with Israel on the basis of Israel's choice between a just and comprehensive peace in the region or breaking the special relations with the United States. It is choice which Israel cannot avoid for long because, without American assistance, it is not able to continue as a state.

CSO: 4400/268

SAUDI PAPERS COMMENT ON CROWN PRINCE PRESS STATEMENT

GF230610 Riyadh Domestic Service in Arabic 0400 GMT 23 Mar 83

[From the press review]

[Excerpt] AL-JAZIRAH and AL-RIYADH newspapers have commented editorially on the comprehensive press statement which his highness the crown prince delivered yesterday.

AL-JAZIRAH said in its editorial: In his political statement--which received widespread Arab and international coverage in addition to increased interest in political Arab and international circles--His Royal Highness Prince 'Abdallah Ibn 'Abd al-'Aziz, crown prince and deputy prime minister and chief of the national guard, announced that His Majesty King Fahd Ibn 'Abd al-'Aziz carries the ambitions of the new Saudi generation who were born into a prosperous time after their parents had struggled with the founder of the state, the late King 'Abd al-'Aziz, in order to unify the tribes in the Arabian Peninsula and link them in a firm and wideranging geographic association.

The paper concluded by saying: The kingdom's role--as the crown prince noted in his statement--is not limited to its local national responsibility but it extends to cover its Arabic and Islamic brother nations in addition to its international community.

AL-RIYAD commented: In the press statement of his royal highness which he delivered yesterday there are many important points. He was frank with regard to the policy of the kingdom and to refuting the allegations that are detrimental to the kingdom. He also reviewed Arab events in line with his duties and the influence of the kingdom in international and Islamic politics. Here lies the sensitivity of the situation. His highness is tackling our modern, wideranging problems in a way that conforms with kingdom's stated policy.

Concluding its editorial, the paper said: His royal highness talked about important and great matters which deal with the way our leaders face any critical Arab or international situation since our positions are constant and this is how justice defeats injustice.

CSO: 4400/268

HEALTH CARE MARKET SAID TO BE LIVELY

Paris AN-NAHAR ARAB REPORT & MEMO in English No 7, 14 Feb 83 p 6

[Text]

Saudi Arabia is likely to remain a lively market for health care imports for the rest of the 1980s, in spite of declining oil revenues. A report published by *World Medical Markets* says that the Saudi government is continuing to assign priority to plans to expand medical spending. These include completing hospitals already being built and constructing 36 new ones with a capacity of 7,550 beds between 1980 and 1985.

Health expenditure is not expected to be affected by budgetary cuts and has risen 20 per cent this year to \$2.3 billion. Expenditure of \$10.3 billion on health is projected in the five-year plan 1981-85, not including substantial spending on military hospitals and private sector developments.

The public sector has provided most health care in the Kingdom, but the government plans to foster the development of the private sector. Both sectors should provide opportunities for Western involvement, the report said adding that a promising market also existed in the field of medical equipment.

Meanwhile, Saudi Arabia is to employ 500 Pakistani doctors a year for the next five years to bolster its rural health services, Pakistan's Health Minister Nasir-ud-Din Jogezi announced in Islamabad. He said that Saudi government has decided to have Pakistanis manage a 200-bed hospital in Mecca and may do the same with hospitals in Medina and Jeddah.

CSO: 4400/233

OFFSHORE LOANS DENOMINATED IN RIYALS CURBED

Paris AN-NAHAR ARAB REPORT & MEMO in English No 7, 14 Feb 83 p 4

[Text]

The Saudi Arabian Monetary Agency has issued orders to local banks to seek prior authorisation from the agency before participating in syndicated loans arranged by offshore banks which are denominated in Saudi Riyals. A report from Bahrain last week said SAMA's circular to the banks told them not to seek the participation of foreign banks in granting Riyal-denominated credit facilities without first seeking SAMA's approval; the agency's approval is likewise required before Saudi Arabian banks can take part in operations in Riyals organised outside the Kingdom for either residents or non-residents of Saudi Arabia. "SAMA's general policy does not encourage the participation of foreign banks in Saudi Riyal-financed operations," the circular stated.

The new regulations are in character with SAMA's traditional policy of trying to keep the Riyal as a domestic currency with as few foreign ramifications as possible. It is expected to have far-reaching effects upon Bahrain's offshore banks, where considerable business is denominated in Saudi Arabian Riyals. It is also seen as a measure of support for Saudi Arabia's own banks by promoting a greater volume of local lending.

CSO: 4400/233

'AL-KHALIJ' CALLS ON ARABS TO CHOOSE MILITARY OPTION

GF220820 Abu Dhabi WAM in Arabic 0720 GMT 22 Mar 83

[Excerpt] Abu Dhabi, 22 Mar (WAM)--AL-KHALIJ newspaper today said that if the Arabs go to Washington on the basis of the adherence to the Reagan plan alone they will not achieve anything, because the U.S. plan contains only the facts of the existence of Israel and its security claims while at the same time it ignores the major issue, the issue of the Palestinian people, and Arab sovereignty and security as well as rejecting an independent Palestinian state. In addition, the U.S. position refuses to recognize the PLO or even to hold a dialogue with it.

In its call for the necessity of choosing the military option, AL-KHALIJ said that any objective and conscientious person will say to the Arabs, especially after the FES summit and the U.S. rejection of its resolutions: You have carried out your task regarding the security and peace of the world in a perfect way. You have proposed a peaceful plan and allowed the international community to participate with you in maintaining the present and future of international relations, but your enemy and its strategic ally, the United States, clearly rejects your peaceful course. There is nothing left for you other than to defend your peaceful position in a way that consolidates peace in the Middle East and the whole world.

The newspaper affirmed that the Arabs have the weapons, men, wealth, friends and allies on the international level. It also affirmed that by choosing the military option the Arabs will not violate the international norms, but they will affirm that by their international legitimacy. The newspaper recalled the first days of Arabs after Islam and said: The Arabs used to take their rights by their hands. Are we not the sons of those Arabs?

CSO: 4400/270

UNITED ARAB EMIRATES

BRIEFS

LABOR LAW VIOLATIONS--Press reports in the UAE have indicated that 754 foreigners were arrested in Abu Dhabi during the past 3 months for violation of labor laws or for illegal residence. Reports added that 622 people of these were deported and measures are being undertaken to deport the others. Moreover, dozens of others were arrested on similar charges in the other emirates. A statistics report issued in Riyadh indicated that 1405 people were arrested in 1 month in Saudi Arabia for illegally entering the country or for abandoning their sponsors and working for others. The report added that 554 of these foreigners have been deported, that the cases of 315 people are under consideration. An official source at the Bahraini Labor and Social Affairs Ministry indicated that 58 laborers were arrested for abandoning their jobs. Nineteen of these deported, 24 are being held in custody and 14 others were returned to their official sponsors. [Figures as received] [GF280940 Manama WAKH in Arabic 0900 GMT 27 Mar 83]

SUDANESE INTERNAL AFFAIRS MINISTER VISIT--Abu Dhabi, 26 Mar (WAKH)--'Ahmad 'Abd al-Rahman Muhammad, Sudanese minister of internal affairs, arrived here this afternoon on a visit to the UAE that will last for a few days. During this visit, the Sudanese minister will discuss with UAE officials a number of issues pertaining to the implementation of the labor agreement concluded between the UAE and Sudan in May, 1981. He was received on arrival by Sayf Ibn 'Ali al-Jarwan, UAE minister of labor and social affairs. [Text] [GF261234 Manama WAKH in Arabic 1125 GMT 26 Mar 83]

OIL DRILLING LICENSE--Dubayy, 27 Mar (QNA)--It was announced today that the UAE vice president agreed to offer a new oil drilling license to the British Company KCA International, which will operate in the onshore region that is within the onshore license of the British Petroleum Company. [GF280800 Doha QNA in Arabic 1320 GMT 27 Mar 83]

DUBAI IMPORTS--Dubayy, 27 Mar (WAKH--Sa'id Jum'ah al-Nabudah, chairman of the board of directors of the Dubayy Chamber of Commerce, has said that Dubai imports alone amounted to about 20 billion dirhams in 1982 and that Dubai is now a regional import center. During a meeting with a cyriot trade delegation today, al-Nabudah said Dubai imports during the first 9 months of 1982 were 17 billion dirhams, noting that 70 percent of Dubai imports are exported to the countries in the region. The chairman of the board of directors of the Dubayy Chamber of Commerce affirmed to the Cyriot delegation currnetly visiting the country that the UAE market is open to the products of various countries. [Text] [GF280747 Manama WAKH in Arabic 1758 GMT 27 Mar 83]

AFGHAN CHILDREN REPORTEDLY BEING INDOCTRINATED IN USSR

Manila BULLETIN TODAY in English 22 Feb 83 p 3

[Article by Balram Tandon]

[Text] Kabul--In an effort to win the support of the Afghanistan people, the Kremlin has, over the last two years, embarked on a large-scale indoctrination programme.

This covers almost all levels of the Government, the Army, and the administration.

Perhaps more importantly it also covers teachers and schoolchildren.

Thousands of Afghans from all levels and walks of life are regularly being taken on free trips to the Soviet Union.

According to official statistics published in the KABUL NEW TIMES at least 15,000 Afghan teachers, technicians, civil service personnel and schoolchildren were taken to the Soviet Union between 1980 and the end of 1981.

The target for this year is 8,000 and this could include at least 2,000 schoolchildren and college students.

The traffic to and from the Soviet Union is so heavy that all Aeroflot flights from Kabul to Moscow and back are fully booked. In Kabul passengers seeking bookings by Aeroflot to Moscow are told flights have been cancelled because there is no load. But sometimes airlines officials will quietly say: "They carry only special people."

The figures do not include Afghan Army and Air Force personnel about whom very little is publicized. According to one knowledgeable individual the numbers for these two services who are sent on tours of the Soviet Union is being gradually increased and some 450 Army non-commissioned officers are sent to the Soviet Union and returned every three months.

CSO: 4600/396

AFGHANISTAN

FOREIGN POLICY INTERPRETED ACCORDING TO ISLAMIC TENETS

Kabul HAQIQAT-E ENQELAB-E SAWR in Dari 22 Feb 83 pp 3, 4

[Article by Rostam]

[Text] Before the events of Iran and Afghanistan in 1978-79, Islam was spoken about in the West with antagonism. But, in 1979, a book entitled "Islam and War," by (K. Kh. Jinisin), was published in London. The author translates the term Islam as: "Submission of man to the will of God." Previously, the West did not show much interest in Islam and its philosophy. Some would even deal with it with a demeaning or indifferent tone. But, when the theoreticians of the colonialists realized that they could make use of Islam in their current policies, they changed their attitude in dealing with it and began to follow the principle of reconciliation with Islam.

Imperialism realized this possibility a long time ago and began to make use of not only the national differences but the beliefs of the people. It set the Turks against the Arabs, provoked the Arabs against the Iranians, set the Iranians against the Kurds and provoked the Kurds against the Baluchis. The arena of the activities of imperialism was not limited to nationalities. It, in fact, established roots among the religious branches and sects. It provoked the Shi'ites against the Sunnites and, in short, one religious sect against another. It even continued such provocations to the verge of war.

When old-style colonialism fell apart, relations with the true religion of Islam changed. But the use of the same old methods remained and imperialism tried to make extensive use of the power of Islam in the so-called "defense of Islam against the atheists." In other words, when the Muslims of the world realized the true nature of colonialism and neo-colonialism, the relationship of the imperialists with these Muslims changed completely. For instance, when in Libya, Iran and Afghanistan, anti-imperialist slogans were shouted, the imperialists accused the Muslims of these countries of being the enemies of Western civilization and in Washington, they placed the term "instability

curve" on the world map. Washington, which is an old hand in dealing with Islam and Muslims, immediately presented these countries as pseudo-Muslims. There is another reason as well for the existing attacks of imperialism against the countries which are, according to Washington, pseudo-Muslim. Presently, the majority of the Muslim countries in the world have been freed from the chain of colonialism or are on the threshold of attaining their political freedom. In other words, in the last 30 years, national liberation movements have achieved such power in these countries that they have become great forces in the world. From the very beginning, the sharp edge of the struggle of these countries has been pointed against imperialism and, on the whole, the capitalist world. Later, various shouts and cries in one part of the world or another were heard. Certainly, all this commotion was made between the large capitalist countries of the West and the Muslim countries of the East and it was escalating to more of a crisis every day. As a result of these events, the bourgeoisie and the leaders of the Western capitalist countries were frightened. For this reason, they looked for ways to prevent the anti-imperialist nature of the revolutions and the changes in the Islamic world. But, despite all these efforts, positive results did not ensue in the interest of imperialism. The United States was unable to prevent the increasing growth of the Islamic movement, which is essentially anti-imperialistic in nature. The Iranian revolution is a good example in this regard. After the victory of the Islamic revolution in Iran, the Islamic government of that country severed all its military relations with the United States and closed all the spy centers of the CIA and the Pentagon in Iran. It severed its diplomatic relations with Israel and South Africa and recognized the PLO. It nationalized the banks, insurance companies and the large industrial establishments in Iran. It cancelled the unilateral contracts and agreements which had been signed earlier. Ayatollah Khomeyni, the Islamic leader of Iran, declared the United States as the source of all the calamities of the "calamity-stricken countries" and asked all the Muslims of the world to unite in fighting with all their forces against imperialism and Zionism.

The absence of a solution to the dispute between the Arabs and the Israelis, the support of the occupying policy of Israel by the United States and, also, the support for the annexation of the eastern part of Jerusalem, which is one of the holy places of the Muslims of the world, to Israel, the aggressive policy Israel has followed against its neighboring countries as well as the unconditional support of the United States for this policy and for reactionary Arab countries, all and all, are among the factors which have forced the Muslim countries to follow the anti-imperialist policy.

In the sacred religion of Islam, "justice" is given significant importance. The Muslims of the world always consider justice as one of the general Islamic principles and value it a greatly. Millions of Muslims under oppression strongly believe in and consider as urgent necessities in our time equality and social justice in the world. These principles are also important in the Democratic Republic of Afghanistan and are supported by millions of working Muslims in our country. But, the realization of this program has brought about the anger and wrath of domestic reactionaries and their international supporters.

The sacred religion of Islam places much value on human beings and their identity. The religion of Islam has never condoned racism, hunger for power, subjugation of individuals by other individuals or selfishness, considering them impermissible.

There are definite tenets in Islam concerning the friends and enemies of Islam. Under present circumstances, Western politicians pretend to be the friends of Islam and try to show that they are not at all disinterested in Islam but, rather, respect it, which is all very interesting and ridiculous. Was it not the United States and its friends and allies which carried out the massacres of hundreds of thousands of Lebanese Muslims in the Sabra and Shatila camps? Was it not the United States and its allies which forced Iran and Iraq into war and fratricide. And, finally, is it not the United States which escalates the undeclared war in Afghanistan? In any case, the Sawr revolution, the anti-imperialist revolution of Iran, the increasing clashes and disputes between the Arabs and the Israelis, and the tragedy of Lebanon have proved that the West, and particularly the United States, is not only not a friend of the Muslims, but actually their primary enemy. Let us note other facts: Since some time ago, the naval forces of the United States have been flexing their muscles for the Muslims in the Persian Gulf and its neighboring waters. The imperialists and domestic reactionists in the Democratic Republic of Afghanistan use their agents to kill the clergy and the spiritual leaders who teach Islam to the children of our country, teachers who teach the Muslims of our country and the farmers who work on their land to provide themselves with a piece of bread. They create fear and terror among the people. They call the murderers and the hated mojahedin and their victims criminals. The United States calls the true Muslims of our country infidels. There is an expression in the West: "More Catholic than the Pope." After more than a thousand years have passed since Islam has come to our country, the United States and its allies are giving us lessons in Islam. If we reject their lessons and advice, the United States issues our excommunication decree.

This method was also used during the early days against the October revolution in the Soviet Union. At that time, the

imperialist countries tried to pit various religious groups against the government of the Soviets. But, the Muslims in the eastern lands of the Soviet Union quickly realized the true nature of this propaganda and did not allow their religious beliefs to be manipulated.

The counterrevolutionary elements and the enemies of progress and civilization also make use of the sacred religion of Islam. In the decade of the 1979's, when liberation struggles reached their peak in the Muslim countries, these movements had close ties with the Soviet Union and they all received a great deal of aid from the Soviet Union in their struggles. But, since this movement did not conform to the wishes of imperialism, they chose another path. With the help of their agents and functionaries in these countries, they created the slogan of "neither East nor West" in this country and were able to skillfully insert such slogans into the government policy of some countries.

This slogan is very dangerous because it places friends and enemies on the same side of the scale. Such slogans and other disuniting actions have weakened the strong front of the Muslims in their struggle against imperialism and Zionism. This weakness and disunity made the grounds suitable for the aggression of Israel.

The United States has always been the enemy of Islam and the national liberation movements.

In these struggles, it has always aided and supported those who are either on the front lines against the interests of the people or those who are in power and are creating obstacles along the path of attaining the people's rights. There are hundreds of examples to prove this point.

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CSO: 4665/10

INTERRELATION OF SAWR GOVERNMENT AND ISLAM CLARIFIED

Kabul HAQIQAT-E ENQELAB-E SAWR in Dari 22 Feb 83 p 2

[Text] Despite all the Satanic propaganda of the domestic and foreign enemies of the revolution and the progress of Afghanistan, the situation of the leadership of the Islamic organizations and institutions in Afghanistan was extremely limited and confined before the Sawr revolution. There were units called "societies of religious scholars and the office of religious endowments" as regular branches in the (chukat) of the Ministry of Justice of the time in name only, which could never improve the religious affairs and social activities of the clergy and the religious leaders of the country.

The government of the Democratic Republic of Afghanistan, after the new evolutionary phase of the Sawr revolution, in order to achieve the basic principles of the Democratic Republic of Afghanistan, changed the central Islamic administration of the country by promoting it to the general administration of Islamic authorities of the DRA in the (chukat) of the council of ministers of the DRA and in devising and implementing regulations in 4 sections and 18 articles, clarified its rights, authority and duties in all areas.

Another great step taken in the interest of the Islamic religious scholars and clergy of Afghanistan after the establishment and elevation of the position of the general administration of Islamic authority, was the formation of the supreme council of religious scholars and clergy, which materialized on 21 April 1982 upon a proposal by the general administration of the Islamic authorities and the head of the council of ministers, with the participation of 47 outstanding religious scholars and clergymen of the country. Through the supreme council of religious scholars and clergy, the religious scholars and the clergy entered the vast national front, the fatherland, this most vast political and social organization of the country and the revolutionary stronghold of the DRA.

The administration of Islamic authorities has thus far succeeded to open its agency units in 25 provinces of the country. In the first year of its creation, a budget of 49,253,710 afghanis was allocated to this administration and 62,744,970 afghanis were allocated for the period 21 March 1982-20 March 1983.

Other major steps and gains of the revolutionary regime involving the life, prestige and promotion of the social role of the religious scholars and Islamic clergy as an intellectual stratum of our homeland can be summarized briefly as follows.

The Sawr revolution achieved victory with goals and principles which are now being realized. But, unfortunately, U.S. imperialism, through previously prepared grounds in the PDPA, was successful for a period of time in stabbing the revolution from within and placing its recognized spy, Hafizollah Amin, over our revolutionary party and government. Among the sinister results of this tragedy was the insulting, belittling, torturing and threatening of the Islamic clergy. For this reason, with the victory of the new phase of the revolution, all those religious scholars and spiritual leaders who had escaped the hatchet of Amin the Executioner in prisons were freed unconditionally.

In addition to securing religious freedom, the basic laws of the PDPA concerning the new military service law exempts from military service well-known religious scholars and those scholars who teach at the religious schools.

The general pardon decree for the deceived individuals was issued, as a result of which the road was reopened for the safe return to the homeland of those clergymen who had escaped from the country for various reasons and had even opposed the revolutionary regime with the provocation of reactionism and imperialism.

The board of directors of the revolutionary council, in a decree called "Amendment Number One to Decree Number Eight of the Revolution Council of the DRA Concerning Land," exempted endowed lands and surplus lands of the allotted (jarib) which is in the possession of holy places, religious scholars, imams of mosques, preachers and leaders of religious sects from the democratic land reform measures and the lands which had been taken away were returned to them.

The extraordinary aid in cash and goods by the government to the religious scholars, the clergy, imams, preachers, prayer callers and guardians of holy places since the new, evolutionary phase of the revolution amounts to millions of afghanis. In the winter of 1981-82 alone, the total amount spent on the repair, renovation and heating of the mosques and holy places under the extraordinary leadership of comrade Babrak Karmal amounted to more than 16 million afghanis.

AFGHANISTAN

FIRST WOMENS DEMOCRATIC ORGANIZATION CREATED

Kabul HAQIQAT-E ENQELAB-E SAWR in Dari 10 Feb 83 p 7

[Article by Bikaran]

[Text] Creating its first links with the masses of millions of the working women of the country, the women's democratic organization of Afghanistan has been able to open its way to their hearts and in this way, to continue the work among working and farm women, homemakers and intellectuals. A few months ago, with the creation of the first organization of farming women in the (Bakrami) (velsvali) proved its constructive role in once again organizing the farm women.

The first organization of working and farm women in the (Bakrami) (velsvali) was established early in the third quarter of the current year. Although this organization has been established for only a short time, with each new day, it acquires increasing respect in the eyes of the women of the concerned villages. The increasing unity of the women with this organization is a good indication of the continuous activities of the members of the women's democratic organization of Afghanistan in this (velsvali).

Not long after the creation of this primary farm organization, the revival of the talents and growth of the member and non-member women of the related village began to be seen and the active participation of a large number of homemakers and farm women in the club of this organization was encouraged in order to demonstrate their competence in the various sectors of the hand stitching industry, which is one of the old established crafts of our people.

A number of women who are familiar with all sorts of sewing, hand stitching and machines are members of this club and a number of others also gather here as apprentices to learn various kinds of handicrafts and sewing. This club is the first one created in the (velsvalis) of the Province of Kabul. To preserve the hand sewn crafts of these women, a primary sales store is also

operated in which the stitched materials prepared by the farm women of the (Bakrami) (velsvali) are offered for sale to the people there.

In addition to guiding and leading the women to achieve their goals, this organization also plays a role in the movement to eliminate illiteracy in the country and to build a new and just society free of the exploitation of individuals by individuals in our beloved, revolutionary homeland by creating literacy courses for the women of the villages of the (Bakrami) (velsvali). A large number of homemakers and farm women gather together in these courses impatient to continue to learn.

In this organization, the farm women always talk about the problems of women in social and familial areas and maximum efforts are made to eliminate their problems through effective and beneficial measures.

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CSO: 4665/8

AFGHANISTAN

MINISTRY INTERPRETS GAINS IN FOREIGN, DOMESTIC TRADE

Kabul HAQIQAT-E ENQELAB-E SAWR in Dari 20 Feb 83 p 2

[Article by Sabur]

[Text] The Ministry of Trade, under the leadership of the PDPA and the government of the DRA, is responsible to guide the commerce of the country on a sound path towards the improvement of the economic condition of the country and the lives of the people and, along with the development and expansion of government, joint and cooperative trade, to provide a better atmosphere for the merchants and national investors who have a valuable share in the development and operation of the economic life of the country and to encourage and at the same time control their trade activities.

In the course of the period 21 March 1980-20 March 1982, based on existing figures, the volume of national trade has grown and developed satisfactorily in spite of the actual difficulties. For instance: (Figures in dollars)

	Period 21 Mar 79- 20 Mar 80	Period 21 Mar 80- 20 Mar 81	Period 21 Mar 81- 20 Mar 82	Period 21 Mar 82- 20 Mar 83
	Actual	Actual	Actual	Planned
Export of Goods	493.69	705.24	694.29	690.36
Import of Goods	425.26	551.75	622.42	673.70
Total Transactions	918.95	1,256.99	1,316.71	1,364.06
Relative Increase		36.8%	4.8%	

The Ministry of Trade, in order to expand and develop trade, to provide facilities and to help the national patriotic merchants, has adopted basic measures for the future.

Attempts have been made to gain the trust of the national patriotic merchants, provide facilities in their trading affairs, prevent bureaucracy, and facilitate complicated procedures in order to encourage them to participate more widely in trade.

In order for trade to regain its normal course and for the national patriotic merchants who had given up trade to continue their trade activities with ease of mind, the Ministry of Trade has prepared the grounds for them through the elimination or reduction of export taxes, the elimination of monopolies on some goods, the exemption of (dimrej-bandi), the reduction in the monopoly rights on wool and the participation of national merchants in trading goods and (shirin buyeh).

The development and expansion of trade with the friendly country of the Soviet Union with the participation of the national merchants in the import and export of goods, the signing of border trade agreements between the Democratic Republic of Afghanistan and the neighboring republics of the Soviet Union, the facilitation of the participation in some of this trade by the national merchants of the concerned provinces and the provisions for the participation of the national merchants in international exhibitions to show the various items of national production are some of the other beneficial measures taken. During the past two and a half years, the national merchants have taken part in about 20 international exhibitions in which Afghanistan has participated.

The commissions for the import services of the import unions have made revisions concerning imported goods, that is, raw, necessary or perishable materials, machinery and so on, which will encourage the import of raw materials, machinery and necessary perishable items.

The reserve power or the general capacity for reserves of oil products before the revolution amounted to 75,259 square meters, whereas, in the 4 years of the plan after the victory of the revolution, this capacity increased to 126,259 square meters.

Noting the problem of the shortage of fuel and electrical energy in winter, bottled liquid gas was imported and natural gas reserve stations are planned to be built in Kabul and Mazar-e Sharif. They have also been planned for the cities of Herat, Qandahar and Nangarhar.

The general administrator for goods and provisions, in order to prevent the rise of prices, has procured sufficient amounts of

wheat both domestically and from abroad, which have been distributed among the needy. Also, the government employee cooperative has provided officials and employees with needed goods, especially staples such as "four, oil, rice, tea, (tekeh)" and other perishable items and household needs.

In order to regulate the trade activities of the private sector, thus far, 23 import unions have been established and are active in facilitating and providing conditions suitable for the purchase of production materials.

Regarding the expansion and development of the caracul trade, during the period 21 March 1980-20 March 1981, the institution for the development of caracul studied the hide (leylan) in the city of Leipzig in the German Democratic Republic in addition to those in London and Leningrd and has placed some hides in the Leipzig (leylan) on a trial basis, the results of which have been good. In order to process and export lower grade caracul and (boghnaeh) hides, a new institution called (Efkara) has been established in Kabul in partnership with an institute of the Czechoslovakian government.

In order to expand and develop the export of medicinal herbs and thus support the producers, the plant company has raised the price of (shirin buyeh). Also, the export of (shirin buyeh) has been developed under the supervision of the above-mentioned company and the cooperatives of the national merchants. During the period 21 March 1980-20 March 1982, compared to the previous years, the export of (shirin buyeh) and medicinal herbs increased significantly. The purchase of wool by the wool supervisor and its washing by Dandehar Wool Washing has continued and the export of wool by the above-mentioned institution has been carried out over and above that planned.

Also, measures have been taken to stabilize the price of goods and establish new institutions such as Afghan Kart and the institution for cooperative trade and friendship and to supervise the cooperatives for perishables.

In order to develop border trade and the sale of imported goods in the center and the districts of the Provinces of Balkh, Badakhshan, Jowzjan, Faryab and Samangan and to procure the material for export of the above-mentioned provinces in order to export them to the Republics of Tadzhikistan and Uzbekistan of the Soviet Union, border trade agencies have been established and have begun operations in the above-mentioned provinces.

10,000

CSO: 4667/3

STUDENT RIOTS TERMED 'POLITICAL DELINQUENCY'

Dhaka HOLIDAY in English 12 Feb 83 p 1

[Editorial by Enayetullah Khan]

[Text] The savage ideal of campus violence has almost become an inseparable part of our political culture. The arts faculty premises, housed at the epicenter of a four and half square mile of university estate, is the select amphitheater of such bloody contest.

The latest hit and run violence, which blissfully spared gunpowder for a change, is just another addendum to the university battle-score. And this deplorable streak of political delinquency led to the hospitalization of 45 victims and first-aid treatment for 95 others.

It was bad thing to happen at this time when the spirit of 'Ekushey' have subsumed contentious political differences, religious creeds and ideological enmities in a spectacular show of total national unity; and also when the bigots and the butchers of 1971 are preparing an assault on the very core of our national identity.

The stimulus to the February 6 campus violence ostensibly came from the militant student cody, the Islami Chhatra Shibir. The campus was uncomfortably tense from the warm parades and slogan-chanting by the Shibir cadets two days before they held their anniversary rally on February 6.

The vanguards of the student community, the university teachers and the common students should have been on the alert in anticipation of any provocation from the militant fundamentalists. There should have been sufficient precaution to ensure that non-university student participants in the rally were kept away from the campus premises.

But let them say whatever they want to say. But let their assault on the nation and its political ethos be washed out by the avalanche of popular will--a will that brought Bangladesh into existence through a bloody war.

Understandably, anti-political and anti democratic forces would take full advantage of the campus incident, and would do so by mouthing democratic principles. Imagine Islamic Chhatra Shibir or for that matter Jamaat-e-Islami

talking about democracy given their past. One may talk about Awami League's degeneration into a proto-fascist political demon. Yet, before coming to power, and but for chauvinism and intolerance, Awami League definitely had a major role in the flowering of democratic struggle in the Pakistani days.

Bigotry and medieval fundamentalism cannot return to Bangladesh. The more they know that, the more clandestinely violent they would become. A broad and massive resistance, and not retaliation should be the answer against this insidious move to proliferate violence by a miniscule, defeated force.

In the recent times, a number of gains has been made by the student community in forging unity against the imposition of education commission report and in their demands for restoration of certain rights including dreeing the campus from police intrusion. Similarly, political parties, however, obsolete or immobile they have been, succeeded in creating of at least a semblance of national political alternative.

As this current will develop further, so would other currents would grow parallelly to absorb the differing aspirations of a multi-class society. This political trend should be saved from being clobbered. After all nothing can substitute politics.

CSO: 4600/1774

REPORT ON INDUSTRY MINISTER'S SPEECH TO UNCTAD MEET

Dhaka THE NEW NATION in English 14 Feb 83 pp 1, 8

[Text] BAGHDAD, Feb 13 (BSS)--Minister for Industries and Commerce Mr. S.M. Shafiul Azam today called for meaningful north-south dialogue to introduce structural adjustments paving the way for establishment of the New International Economic Order (NIEO).

Addressing the 5th Asian Ministerial meeting of UNCTAD now being held at the Iraqi capital, he called upon the countries of the region to make full use of UNCTAD-VI as a platform to promote the concept of global economic interdependence.

He said the world economy was in the grip of one of its worst crisis, threatening particularly the developing countries with frightful consequences.

Mr Shafiul Azam urged that the Asian delegations to the Belgrade conference should draw up a short list on priority issues and engage the developed countries in negotiations at UNCTAD-VI. The minister proposed that issues pertaining to the restructuring of the international monetary and financial system should form a core-item in the agenda at Belgrade meeting.

The Commerce Minister suggested that issues of international trade and commodities should be brought into sharp focus at the UNCTAD-VI meeting for negotiations with the developed countries.

Highlighting the critical phase the least developed countries were passing through Mr. Azam called for "urgent international action" for speedy and effective implementation of the substantial new programme of action of LDCs as adopted in Paris in 1981.

The Bangladesh minister said many LDCs are in the verge of collapse and said that unless official development assistance were doubled within the next two years, these countries would not be in a position to maintain their present development pace.

Referring to the significance of economic cooperation among the developing countries, the minister called for the full implementation of the Arusha and Caracas programmes of action for south-south cooperation.

The three-day meeting of the 5th Asian ministerial meeting of UNCTAD, which began here yesterday, was expected to draw up an approach-plan for handling international economic issues at the UNCTAD-VI meeting scheduled for Belgrade in June.

CSO: 4600/1776

WORLD BANK TEAM TOLD OF FOOD, COMMODITY NEEDS

Dhaka HOLIDAY in English 12 Feb 83 pp 1, 8

[Article by Hossain Khasru]

[Text] Bangladesh Aid Club meets in mid-April this year in Paris in its routine practice to pledge aid funds for the country for the fiscal 1984. The three-member appraisal team from the World Bank which chairs the Aid Club meeting left Dhaka last week after completing its twelve day visit.

It had detailed discussions with the government functionaries to assess the country's concrete needs for external assistance to 'support the development efforts'.

The team is learnt to have finalized a draft report after its full-length reviews about the overall funding needs, the sectoral and sub-sectoral growth prospects and overall economic situation. The evaluation and appraisal report of the World Bank based on the findings of the team will be placed before the Aid Club within the next two months' time.

Reliable sources told this correspondent that there was 'a favorable understanding from the appraisal team about the needs of the economy for external funds in the light of the measures taken by the government over the last one year to 'activate the economy'.

Bangladesh authorities are reported to have drawn the attention of the donors through the World Bank to funnel more commodity and food assistance to the country. Higher quantum of commitments as much as disbursements of commodity and in particular is felt necessary to mobilize more taka resources matching the availability of project aid.

Since the concept of full-cost program financing is still to gain much of acceptance, increased dose of commodity aid are called for not only for financing the country's critical import sector but also for generating counterpart funds that finance the development programs.

The shrinkage in commodity aid pipeline will necessitate more fresh commitments for the country which is, operationally speaking, dependent on foreign aid for 85 to 90 percent of its aggregate level of both current expenditures and investments.

Similar urgings by the Bangladesh side for a substantial rise in commodity aid commitments and disbursements were made to the World Bank team which visited the country on a three-week appraisal mission earlier in October last.

Food Front

On the food front, the country would certainly need further assistance and doles in view of the recent setbacks in domestic performance for which the officials would prefer to blame the adverse natural factors. The earlier projection made at the time of launching the second five-year plan (which still remains a draft document in public) in July '80 for reducing the dependence on food aid at zero level by 1985 has now fallen flat on poor performance with the ambitious goal of doubling food production within a five year period under the given mode of production and institutional arrangements turning out to a mere fantasy only.

The country's project aid pipeline is otherwise comfortably placed now at over 3.7 billion dollars. Project aid pipeline normally takes time to be drawn down as slowly maturing projects are approved. The earlier assumption about an increase in utilization of project aid from 28 percent in 1979-80 to 31 percent in 1984-85 and the projected decline in the ratio of pipeline to disbursement from 3.5:1 in 1979-80 to 3.2:1 in 1984-85 has all clear chances of only becoming another story of unfulfilled promises.

The aid situation during the first half of the current financial year has not been much encouraging for the country. The disbursements of external assistance in all its forms--project, commodity and food--totalled, in taka terms, 11 billion mark during July-November period in the current fiscal, 1982-83.

This level of disbursements at about 460 m dollars at current prices was sizeably short of anticipations with the yearly disbursement target set at over 1.6 billion dollar mark. Nonetheless the official circles keep on contenting themselves while noting that "the disbursement of aid usually remains slow during the first half of the year and then picks up during the second half".

Projected Needs

The officials of External Resources Division (ERD) are now engaged in the work of finalizing the projected needs of external assistance for the economy for 1983-84. An aid memoire on the basis of projected needs will be ready soon for circulation among the members of the aid club which incorporates 13 donor countries, eight multi-lateral agencies and five observers.

According to informed circles, Bangladesh is likely to place demands for external assistance of over 2.5 billion dollars at the forthcoming Consortium meet. Last year, the country received commitments of about 1.7 billion dollars against demands for 2.44 billion dollars.

The commitments at the Aid Club forum were more disconcerting during the first two years of the current five year plan (1980-85). As against expectations for 3.41 billion dollars and 3.92 billion dollars in 1980-81 and 1981-82,

Bangladesh received commitments for only 980 million dollars and 976 million dollars for the respective years.

Obviously enough, the forthcoming Aid Club meeting in Paris may not be as generous in its commitments as the country would like it to be. What Bangladesh would receive by way of new pledges and promises for 1983-84 would depend not much on the country's concrete needs but more on donors' own spending program for foreign economic assistance in the current global economic condition, suffering since long from the corrosive effects of recession, contraction and, above all, aid construction.

World Outlook

Notwithstanding the most recent optimistic projection about a possible global economic turnabout in 1984 because of lower worldwide interest rate and lower inflation, the prospects for aid-flows to the Third World countries, particularly less developed ones, remain yet uncertain. The IDA negotiations with 33 donors on a fresh infusion of funds under its Seventh Replenishment Program for continuation of concessional lending to the world's poorest nations including Bangladesh are still on.

If 17-billion dollar fund which the IDA would need for the program is not available, the association may, according to a report, have to resort to borrowing the money with the consequent effect that some of the recipients of its concessional funds would then be asked to pay the costs associated with it.

President Reagan's new budgetary proposals for the coming fiscal year call for only 2.4 percent rise, in nominal terms, in bilateral economic aid to the developing countries to a total of 4.8 billion dollars in 1983-84.

When adjustment is made for inflation, the fiscal 1984 economic assistance program of the USA can thus be expected to decline slightly or, at best, to remain roughly the same as the previous year in real terms.

OPEC

The OPEC is also having its own problems. According to a report, there was 23.8 percent decline in aid extended to developing countries during the third quarter of 1982 by leading petrodollar institutions. And the decline is attributed to the forced cutback in crude production in response to the prevailing world oil glut. With OPEC itself now in further crisis over the pricing and output sharing issues, the promises about more petrodollar assistance remains faded.

While aid prospects thus continue, to be uncertain, the coming days will perhaps see more intense activity on the part of the IMF's Interim Committee to find out 'more effective and more concrete' ways to tide over the global liquidity problems.

EXPORTS DOWN FOR FIRST HALF OF FISCAL YEAR

Dhaka HOLIDAY in English 12 Feb 83 p 1

[Article by Jaglul Alam]

[Text] The total export trade of the country in terms of volume in the first half of the current fiscal year has declined by almost 20 per cent while the export earning in terms of US dollar is down by seven per cent compared to the export trade situation in the corresponding period of the preceding year.

During the period between July-December, 1982 Bangladesh exported 2.35 lakh tons of jute goods which was less by about 48 thousand tons exported from Bangladesh in July-December, 1981.

During the month of December, 1982 the export of tanned and semi-tanned leather, naptha, furnace oil and bitumin, ready-made garments, newsprint, handicrafts, raw jute, fish, agricultural products, animal coasings etc. declined considerably when compared to the export made during the month of December, 1981.

During the first half of the current financial year jute goods worth 137.6 million dollars were exported from the country whereas the export earning during the corresponding period of the previous year stood at 1413/million dollars registering a decline of about 3.54 per cent.

According to the available statistics, the total export earning during the first half of the current fiscal year was 297 20 million US dollars while the export earning during July-December, 1981 was 319 40 million dollars. Consequently the total export earning period fell by about seven per cent.

During the period between December 1981 and December 1982 the export earning in tanned and semi-tanned leathers fell by about 40 per cent, naptha, furnace oil and bitumin by about 78 per cent, ready-made garments by 57 per cent, newsprint by 40 per cent, handicrafts by 35.99 per cent, raw jute by four per cent, agricultural products by 72.20 per cent and fish by 41 per cent, it is gathered.

The export earning during the period of the first half of the current fiscal year when compared to the corresponding period of the last year indicates that

per capital foreign exchange earning during Jly-Dec. 82 was 3.12 dollars while per capita earning stood at 3 36 dollars during the previous year indicating a decline of over 7 14 per cent.

Although the price of major exportable items of Bangladesh in the international market during the period remained more or less static, the severe loss in real earning was caused by less export and failure of the Bangladeshi exporters in exploring new markets for the local traditional and non-traditional items.

CSO: 4600/1774

CHITTAGONG THANA ADMINISTRATIONS FUNCTIONING WELL

Dhaka THE BANGLADESH TIMES in English 16 Feb 83 p 8

[Text] CHITTAGONG, Feb 16--Developmental programmes in the rural areas under the upgraded thanas of the district are now being carried on with new speed and strategies, reports BSS.

The most distinguishing feature in the execution of development projects is that both time and money are saved considerably as the upgraded thana administration functions with speed and dynamism.

All procrastination in the execution and completion of uplift projects in the upgraded thanas of Anowara, Fatikchari and Chakaria are avoided. On-the-spot decisions are given by the Thana Nirbahi Officers on implementation of development schemes.

In the upgraded Anowara Thana with ten unions and a total of nearly two lakh population, twelve development schemes, mostly reconstruction of roads are being implemented under Food for Work Programme.

A total of 10,974 maunds of wheat have been allotted for the schemes. The roads being reconstructed have links with the thana headquarters. The most significant achievement of Anowara Thana after it was upgraded on December 15 last is that micro-bus services have been introduced on the nine-mile road that links the Arakan Road with the Anowara Thana headquarters. But two miles of the road are yet to be developed.

Under rural Works Programme there are 32 development schemes which include repair of roads and re-excavation of canals. The seven-mile long Mohsin Aulia Khal in Anowara needs re-excavation to facilitate irrigation of vast tract of land.

There are 13,200 acres of land under Boro cultivation in Anowara Thana which yield a total of 32,200 tons of rice. The total number of power pumps fielded to date is over 200, out of the total of 248.

Family Planning

The family planning programme is gaining popularity in Anowara and under the two-year crash programme extensive training is given to union parishad

chairmen, members, field workers and dais. Some training programmes concluded only a few weeks back. Thirty-three sterilization cases were done in one and a half months. Minor operation facilities are absent in the thana dispensary.

The Anowara Thana Health Complex is yet to be set up. Rement of more family planning workers in Anowara. The livestock development programmes are being implemented in each of the ten unions of the thana. Already ten union vaccination centres, two veterinary sub-centres and five grass growing demonstration centres have been set up.

About 1,100 cattleheads were treated in the veterinary centres.

lease of funds for Anowara Thana Health Complex is urgently needed to complete the construction of the health complex. There is also need for deploy-

In the Thana Magistrate's court 48 cases were filed between December 15 last and January 26, 1983. Cases are disposed off speedily and the village people are encouraged to settle disputes amicably and that a number of land and other disputes was settled amicably by the parties concerned.

All the officers posted at Anowara thana headquarters are yet to be provided with suitable accommodation. However, site has been selected for construction of residential quarters. An amount of Taka five lakh is reported to have been sanctioned for repair and renovation of the existing houses.

In the upgraded Fatickchari thana, 11,605 maunds of wheat have been allotted under Food for Work Programme. The projects included in this programme are construction of ten mile embankments, 21 miles road and re-excavation of three-mile canal for irrigation and drainage purposes. Works on all these projects are to be completed soon.

Under rural Works Programme Taka 63,000 for roads and bridges, Taka 71,000 for drainage and flood control, and Taka 1,52,000 for thana irrigation projects have been allocated. Four schemes under TIP have already been completed while works on others are progressing satisfactory. A total of 16,700 acres of land have been brought under Boro cultivation during the current season. The total number of power pumps fielded in the Fatickchari thana is 150. There are six deep tubewells and 22 shallow tubewells.

The government has made necessary allotment for construction of residential quarters for the gazetted and non-gazetted employees of the thana. Eight housing units for non-gazetted employees are under construction at total cost of Taka 14,74,352, for non-gazetted employees dormitory. Taka 5,12,740, for four units at non-gazetted employees Taka 7,23,366 and for Munsif Court Taka 10,40,395 have been sanctioned. Works on all the projects are going on in full swing.

For internal sanitary and electrification programmes an amount of Taka four lakh has been sanctioned. Over 50 per cent of the works on all buildings and houses have been completed.

In the Thana Magistrate Court 72 cases were filed between November 7 last and of which more than one-third cases were disposed of.

FINAL DRAFT OF SECOND FYP DEEMED UNREALISTIC

Dhaka THE NEW NATION in English 17 Feb 83 pp 1, 8

[Article by Hassan Abul Quasem]

[Text] The final draft of the Second Five Year Plan (1980-85), even after the three years of the plan period, has again come under severe criticism of the concerned government officials and the relevant quarters.

The sectoral allocation vis-a-vis the target of domestic resources mobilisation and also the foreign aid climate described by the experts as most ambitious and unrealistic. The final draft which has recently been circulated among different ministries and divisions for their final comments find it very difficult to get their approval as to the streamlining of the resources as well as the implementation of the sectoral targets.

The Minister for Finance and Planning in a letter to his cabinet colleagues expressed doubt in line with the other officials. He raised some vital questions regarding the plan projection. According to him, at the end of the third year of the plan, the final projection of the plan is like pretending of its finalisation in the initial period of the plan and the basic promise on which the plan was formulated does not stand at the present stage of its finalisation. He raised question about the reliability of plan projection based on the price of 1979-80 instead of the current price index and described the remaining two years' (1983-84 & 1984-85) allocation as ambitious. "For the next two years an ambitious programme of Tk. 8381 crore had to be taken because of avoiding social instability," according to the draft proposal of the plan.

The Minister also said mobilisation of the domestic resources from additional tax measures is limited except the drastic cut in the current expenditure and transfer of the resources from the public sector enterprises in the form of profit.

It may be mentioned that, the public sector outlay of the Second Five Year Plan has now been proposed Tk 11,100 crore on the basis of 1979-80 price index. Out of this, Tk 6196 crore has been assumed as foreign aid (net) and the remaining portion Tk 4904 crore will be mobilised from the domestic resources. The proposed size of the plan also provides the provision of Tk.

6000 crore for the private sector. There will be an additional outlay of Tk. 1453 crore earmarked for the 'Food-for-Works Programme' outside the plan size of which Tk. 534 crore will be received from the foreign aid.

The objectives of the draft plan, however, remain the same while the emphasis has been shifted to rural development, role of private sector, implementation and monitoring of the plan and public administration. As far the strategy of the plan, there will be some changes. Due to low availability of resources, undertaking of more productive investment with substantial revision in production targets have been suggested at the sacrifice of other areas of development. Plan resources will be transferred from transport, communication, energy, housing and industry to the rural and agricultural sectors.

Greater emphasis would be laid on domestic resources mobilisation and the improvement of deteriorating balance of payment situation.

The National Economic Council will meet at the end of this month to finalise the Second Five Year Plan.

CSO: 4600/1784

GENERAL ERSHAD SPEAKS AT ENGINEERS CONFERENCE

Dhaka THE BANGLADESH OBSERVER in English 13 Feb 83 pp 1, 12

[Text] Chief Martial Law Administrator Lt. Gen. H. M. Ershad on Saturday urged the engineers and men of technical profession to contribute their best in the successful implementation of uplift projects.

He stressed the maximum utilisation and application of talents and merits of engineers and other experts in the interest of greater welfare of the people

The Chief Martial Law Administrator Lt Gen. H. M. Ershad ordered formation of a committee for review and evaluation of a number of big projects like Sast-West Inter-Connector Teesta Barrage, Demra water supply and Chitta gong urea fertiliser plant.

The CMLA gave this on-the-spot decision when his attention was drawn to certain aspects of wrong planning and wastage of national resources of some big projects at the sixth National Conference of the Institute of Diploma Engineers (IDE) which he inaugurated on Saturday noon. The President of IDE in his presidential address made some specific observations about what he called wrong planning and wastage of national resources of these projects.

Addressing the well attended National Conference of the Diploma Engineers at the Shilpa kala Academy auditorium the CMLA said that technology was the key to national development. He observed that no development could be achieved unless technology was correctly and realistically applied with proper planning. He regretted that there had been huge wastage of national resources in the past as many development projects failed due to inappropriate use of technology. He asked the planners and the implementing authorities to take proper care for use of appropriate technology in big projects.

The CMLA reiterated his Government's commitment to ensure social justice, achieve self-reliant economy and end economic exploitation. He referred to the relentless efforts of his Government in improving the lot of the people in rural areas. He said that the Government had already undertaken a number of positive reforms for the development of the country.

The CMLA regretted that the process of industrialisation had suffered as the number of engineers and technically educated people in the country was not

upto the requirement. The number of scientists technicians and skilled labour are only four out of every ten thousand people in our country while, he added this number is 20 in the South East Asian countries. He observed that the technical and engineering institutions established during the last two decades ultimately turned into institutions of text books and note books seriously impeding the expansion of technical education in the country. He said that measures had been taken to reorganise the technical education under the proposed education policy. A number of junior technical schools would be opened at the higher secondary level and in a number of selected secondary schools vocational courses would be introduced with part-time employment facilities he added. He informed that during the current fiscal year six schools would be set up with appliances worth seven lakh dollars each.

The CMLA reminded the diploma engineers of their role in proper utilisation of technology in developmet projects. He stressed the need for giving importance on the long perspective of a plan side by side with the immediate results of such plans. He said that under the new administrative reform engineers would be appointed at the thana level and he called upon the diploma engineers to use their talet and technical education for the development of 68,000 villages of the country.

The inaugural session was presidied over by Mr. Shafiud din Sarkar, President of the Institute of Diploma Engineers and it was addressed by Mr. A.K.M.A Hamid, General Secretary of the Organisation. Members of the Cabinet, high ranking military and civil officials and engineers attended the inaugural sessio of the conference.

The CMLA paid rich tributes to the language martyrs and said that the memory of the martyrs would remain fresh in the minds of all people which will inspire the nation in defending the country's independence He said that the language martyrs were the pioneers in our freedom struggle that culminated with the liberation of the country.

The IDE President placed six-point demands of his organisation that included introduction of 'one-channel' system in technical education by removing the obstacles of higher education for diploma engineers, bifurcate the engineering service into field engineering and desk engineering, abolition of gazetted system in services and promulgation of 'construction law' for proper use of national resources in development projects.

CSO: 4600/1775

MINISTER GIVES VIEWS ON OIL PRICE CRISIS, KHOMEYNI TERROR

Vienna PROFIL in German 7 Mar 83 pp 34-35

[Interview with Hoseyn Namazi, Minister of Economic Affairs and Finance, by Erhard Stackly of PROFIL: date and place not specified]

[Text] Dr. Hoseyn Namazi has headed Iran's Ministry of Economic Affairs and Finance for two years. The "super minister" of the revolutionary government studied in Innsbruck from 1964 to 1973 and wrote his dissertation thesis with Prof. Clemens August Andreae. Professor Andreae gave a rating of "good" to Namazi's dissertation on "The System of Taxation in Islam in View of the Principles of Taxation of (the prominent German public finance expert) Prof. Fritz Neumark." He describes the student Namazi as a "generally popular, nice person" who once helped organize an Iranian ball. "I cannot imagine that he could now be involved in mass murders."

PROFIL: Mr. Minister, the oil price is moving down for the first time in a long while. Is OPEC finished 10 years after the oil shock?

NAMAZI: There are sometimes differences of opinions in all big international organizations. That also applies to OPEC but we are not yet finished. Price fluctuations occurred in past years, too, but OPEC got control of things again.

PROFIL: You have come to Vienna to the meeting of the OPEC Fund for International Development. What is Iran's role in the "OPEC Fund"?

NAMAZI: We have emphasized that those countries are to receive aid from the OPEC Fund which are striving for freedom and independence from the big powers.

PROFIL: "Exporting the Islamic revolution"?

NAMAZI: We have no objection if the support of peoples and governments that want to stand on their own two feet is so interpreted. Iran has insisted on a report that is to show the results achieved by this aid. All countries having political relations with Israel must not receive any aid from the OPEC Fund. For example, we demanded that Zaire must not receive any help because it has established diplomatic relations with Israel -- and that demand was approved.

PROFIL: There have been repeated reports that Iran itself receives weapons from Israel.

NAMAZI: All oppressed countries in this region know what Israel is and how it is hated by the population. Therefore, an attempt is being made to link Iran and Israel, so as to be able to condemn us. These are fairy tales and nobody who understands a little of the Islamic revolution believes them.

PROFIL: The economic situation in Iran is said to be very critical.

NAMAZI: Despite the war forced upon us, we have not taken up any credit either from a state or from a bank. We have even paid back several billion dollars borrowed prior to the revolution. After the start of the war, our foreign exchange reserves declined sharply but by now they are again higher than before the war. Many institutions which suffered because of the war have gotten over their difficulties.

PROFIL: But appeals are now being made for emigre experts to return.

NAMAZI: That confirms Iran's political stability, otherwise such an appeal would be impossible. The appeal was not made one-sidedly to those with special qualifications or to those with a great deal of money, but its formulation was general and without conditions.

PROFIL: Western newspapers report that industry is way underutilized and that land reform has stopped. There is said to have been talk at Friday prayers in Teheran of 200,000 homeless and starving people.

NAMAZI: I don't want to gloss over things and make propaganda. But if Iran is so much at the end of its rope, how is it able to hand over 2.5 million dollars to the OPEC Fund at short notice? Of course, the Islamic revolution has left its mark. We have made a basic change in the old system of dependence on foreign countries and are now engaged in creating a stable and independent economy. When a big building is to be demolished and a new one to be erected then there is a phase in which there is no building. We have done that in many sectors of our economy and are now engaged in others to do the same. It should not be forgotten that we are engaged in a war that was forced upon us, a war that is very costly every single day. I don't know how people would cope if these difficulties --revolution and war-- occurred here in Europe.

PROFIL: And what are you doing?

NAMAZI: We still are faced with the problem of several million Iranians resettled on account of the war and moreover several million refugees from Afghanistan and Iraq. Therefore, the government itself has attended to the sale and distribution of basic foodstuffs and maintains stable prices. The production of rice, wheat, and fruit has enormously increased since the revolution, as has production in the chemicals, steel, and textile sectors. We are now manufacturing many new products which we used to think Iran was unable to produce.

PROFIL: Any examples?

NAMAZI: A fast and economical mower, aircraft spareparts and also large field kitchens. The war forced us to do things ourselves, so that we have become more independent in many fields.

PROFIL: The Iranian economy is said to be in the hands of the clergy, true?

NAMAZI: My deputies as well as the head of the central bank have doctorates in economics. They are competent people. However, our mullahs see to it that only people who are qualified and do not sell their country to the big powers are placed in important positions.

PROFIL: The question as regards Iran that overshadows all others is the one concerning the rule of law. What do you say regarding the many death sentences, the terrible conditions in the prisons, the numerous arrests?

NAMAZI: Some principles important to us since the beginning of the revolution must be set forth. We are of the opinion that all people on earth must choose their own path. We also believe that there are diverse opinions in a large nation and that the people have the perfect right to express their opinion. However, we reject having a minority that can impose its opinion on the entire population. In Iran it is absolutely clear that the entire population accepts the leadership of Imam Khomeyni. The things that are being said here in the West --that repression prevails, that this repression prevents the people's revolt-- that is completely incorrect. Be assured that what the Shah had controlled-- the military, police, and SAVAK has not become stronger in the meantime. And the population is the same. They are the same people who confronted the Shah's tanks and machine guns without fear, the same who volunteer to go to the front to fight against the Iraqi invasion. These people cannot be kept in check by guns. Apart from its faith and its basic principles, the strength of the government lies in the support from the people. Without the people the government could not survive for a single day. Please consider that the president and the prime minister were victims of a bombing attack on the same day. Can you imagine that under these circumstances elections would take place without support from the people?

PROFIL: And the resistance of the Mujahedin?

NAMAZI: That is one group that wants to impose its policy, which is not accepted by the people, with the aid of machine guns. It puts its policy

into effect, for example by killing 72 personalities in one bombing attack. Would you have permitted these people to remain free in the streets? Would you have held discussions with them or tried to have them follow the right path? Imam Khomeyni nevertheless tried and frequently asked them to respect the opinion of the people. I regret the result of their deeds that led to their imprisonment or execution.

PROFIL: We do not understand these executions.

NAMAZI: Between some countries of the West and Islam, there are different legal conceptions as regards the death penalty. But the reports in Europe all are exaggerated and one-sided. It is not mentioned here in Europe that the convicted persons killed children and mothers, that people were cruelly tortured and even buried alive. The revolution has financially harmed many people in Iran and abroad. Many had accumulated money that belonged to the people and took it with them when they fled abroad. Even those who had become rich during the Shah era through connections with other countries tried to take along this money. They and these countries are dissatisfied. We do not expect anything but a one-sided portrayal of our problems.

PROFIL: What does the Iranian government say as regards the reports on tortures in the prisons?

NAMAZI: Some of the arrested have called those in charge in the prison by the worst names and have even attacked them. If there was a reaction, this was described as torture abroad. But I would not want to create the impression that all those working in our prisons are obeying the Islamic commandments 100 percent. I can imagine that some prison guards do not have that much patience with insults and they treat prisoners harshly. Therefore Imam Khomeyni has instructed some people to go into the prisons, to watch carefully for these things and to report on them.

PROFIL: Didn't he also comment in public on that?

NAMAZI: Following the report by this commission, Imam Khomeyni urged on TV that the people in prison must comply with the Islamic commandments. But there were no instruments of torture and not what we regarded as torture during the Shah era. Moreover, those who did not act in an Islamic manner as prison guards were called to account. The situation is very sensitive. Consider that there are also people working in the prison who have lost their father, their son or some other revered personality because of a bombing. To act one hundred percent in an Islamic manner they must completely control their feelings.

PROFIL: Your description sounds like a civil war situation.

NAMAZI: The number of cases is not so big; there were hardly any acts of terror in Iran in recent months. It is almost tranquil.

PROFIL: Now that the Iraqi troops have left most of the occupied areas, isn't there now a chance to end the war?

NAMAZI: They are still on our soil. Furthermore, of course it cannot be tolerated that they can withdraw and then again attack us if they feel like it. We must have security for our borders and we are demanding reparations for the inflicted damage. As regards (the Iraqi President) Saddam Husayn, we have proposed that an international body investigate the question of guilt. Whoever is guilty ought to be punished.

12356

CS0: 4620/20

IRAN

SKIRMISHES BETWEEN PRO-, ANTI-KHOMEYNI GROUPS IN WASHINGTON

'Occupation of Mosque' Reported

Tehran JOMHURI-YE ESLAMI in Persian 7 Mar 83 p 4

[Text] Armed with automatic weapons, the Washington police charged into the mosque and occupied it.

FBI experts are changing the locks of the mosque.

Covering up the occupation of the mosque by the police, the UNITED PRESS termed this incident a result of an internal political struggle.

The ambassadors of the reactionary Arab countries announced that the selection of the congregational imam by the people is against U.S. laws and is not official.

The congregational imam of the Washington mosque had come to Iran during the [celebrations for the] Fajr decade.

Washington, ISLAMIC REPUBLIC NEWS AGENCY: The fascist police of the United States occupied the Washington mosque by armed force and arrested the Friday imam of the mosque.

According to a report by the Washington correspondent of the IRNA, at 5:00 am on Saturday, local time, the police and security forces, who were armed with powerful automatic weapons, stormed the Washington mosque, first putting it under seige and then occupying it. At the same time, all the surrounding streets were under the control of the Washington police forces with cars and armored tanks. The criminal U.S. police, in accordance with the plan of the Great Satan and its mischievous functionaries, the reactionary anti-Islam regimes, arrested Imam Mohammad al-'Asi,

the Friday imam of the mosque, who had recently returned from Iran to Washington after his participation in the Fajr decade [ceremonies], along with his two-year old daughter and pregnant wife, and took him to an undisclosed location. In his Friday prayer sermon in Washington, the congregational imam of the mosque attacked the reactionary Arab regimes, especially the Saudi court, and declared that the only way for the Muslims to achieve success was to unite under the existing leadership. The Saturday morning attack of the fascist U.S. police, the arrest of the congregational imam and the occupation of the mosque demonstrate the fear of the continuation of such a movement on the part of the Great Satan and the anti-Islamic regimes. Based on this report, the Muslim brothers and sisters residing in Washington and its suburbs have gathered in front of the mosque to protest the occupation of the mosque and the arrest of the imam of the mosque, and their demonstrations still continue. The demonstrators demand the immediate and unconditional exit of the police from the sacred sanctuary of the mosque and the freedom of the congregational imam of the mosque. The congregational imam was scheduled to speak on the Islamic revolution in one of the cities of West Virginia to recount the experiences of his recent trip to the Islamic Republic of Iran. Based on this report, the police strictly prevented the demonstrators from approaching the mosque and thus far, one of the Muslim brothers has been arrested.

Also, the FBI experts intend to prevent the committed brothers and sisters from even entering this sacred stronghold by changing the locks of the mosque. According to this report, since the Washington mosque was taken away from the elements of the Saudi court, placed in the hands of committed Muslims and turned into a stronghold for struggle against the Great Satan and other reactionary countries, the pro-American regime of Saudi Arabia and its allies have engaged in many conspiracies to retrieve this mosque. The Washington mosque, which was opened at one time in the presence of General Eisenhower, the former president of the United States, has, since the victory of the Islamic revolution of Iran, been of special importance to the reactionaries as a propaganda base against the Islamic Republic.

Distortion of Facts by Propaganda Bugles

Meanwhile, the U.S. news agencies, covering up the occupation of the mosque by the criminal U.S. police, try to present these events as disputes between rival Muslim groups who are engaged in fighting a political struggle! This is the first time that the United States has considered the attempt to be present in the mosque as having political motives. The U.S. UNITED PRESS reported:

A group of dissatisfied Muslims clashed with police outside the Islamic Center in Washington, where they were protesting the dismissal of a religious figure from the office of the Islamic Center. The Washington police said: Even though several arrests were made in the clashes between the dissatisfied Muslims and the Washington police, no one was injured. At least three persons who had crossed the police lines were beaten with billy clubs by the Washington police. At the same time, their colleagues were throwing rocks at the police. Yesterday's events in Washington were part of an **/"internal political struggle"/** [in boldface] over the control of the Islamic Center. This Center is managed by a non-profit organization under the supervision of a board of directors which includes the ambassadors of several Arab countries.

The dissatisfied Muslims claim that they are religious fundamentalists and that the board of directors is not faithful to Islam.

The incident began when the leader of the demonstrators, Mohammad 'Isa, left the Islamic Center early Saturday. The new spokesman of the Islamic Center said that he has been moved to an apartment in northern Virginia, where he will live at the expense of the Islamic Center.

A 40-member group of the dissatisfied informed of the dismissal of their imam surrounded the Islamic Center shouting at the Washington police. One of the dissatisfied said that their right to perform their prayers was being ignored, that this action being carried out was a completely fascist action of the government and that it was being carried out because they were Muslims, that if they had been any other religious group, such a thing would not have happened.

While the crowd advanced towards the police lines, the police officers, armed with tear gas, tried to make them retreat by hitting them over the head with billy clubs.

Rocks were thrown at the police by the dissatisfied and several clashes occurred.

The police closed off two parts of Massachusettes Avenue, where a number of foreign embassies are located, disrupting traffic yesterday morning. UNITED PRESS then emphasized the efforts of the groups affiliated with the Saudi court and added: The new spokesman of the Washington Islamic Center said: The FBI locksmiths are rapidly changing the Islamic Center locks. Therefore, the dissatisfied will no longer be able to enter the Center without permission. Several of the dissatisfied had keys to the Islamic Center.

Details of the Occupation of the Mosque

On Saturday night, following the occupation of the Washington mosque by the fascist U.S. police and the arrest of "Mohammad al-'Asi," the congregational imam of the mosque, a large number of the Muslims of Washington and its suburbs gathered in front of this mosque to demonstrate against the inhumane U.S. government and the reactionary Arab rulers who issued instructions for such an attack. About an hour after the demonstrations began in front of the mosque, the beastly U.S. anti-riot police attacked the demonstrators to turn them away from the mosque area, barbarically pounding their heads and faces with their billy clubs. They forced them to retreat by injuring and arresting several brothers. Despite this, the Muslim brothers and sisters of Washington did not leave the scene but continued shouting slogans such as: God is great; there is no God but God; the fascist police must leave our mosque; death to the U.S. police; and we will liberate our mosque. They stressed: We will perform our noon prayers in front of the mosque. According to the report of the IRNA from the location of the incident, seeing the resistance of the brothers and their determination to perform their prayers in front of their mosque, the authorities of the U.S. police were finally forced to agree to their return to the mosque area for noon prayers.

"Al-'Asi" Exposes

At this time, "Mohammad al-'Asi" also came unexpectedly with his wife and small child in front of the mosque and explained to the correspondents who had gathered in front of the mosque how he was arrested by the police officials and the representatives of the board of directors of the mosque, which is formed of the ambassadors of the reactionary Muslim countries dwelling in the United States who ruled over the mosque before the Islamic revolution. One of the members of the board of directors was Ardeshtir Zahedi. He said: The police along with the representatives of the ambassadors of the reactionary countries broke down the door to my residence early in the morning without any legal warrant and threatened that if I did not leave the mosque immediately, they would force me and my family out. He added: After putting on my clothes, I sent the various policemen who had surrounded the mosque out of the mosque. "Al-'Asi" said: The police officials then took us to a very Satanic apartment somewhere in the suburbs of Washington. They told us: Here is your new home; the rent for the first two weeks has been paid by the board of directors. He added that after the police officials left him alone, he left with his wife and daughter, refusing to stay in the place provided by the police. The Friday imam of Washington was recently in Iran to participate in the ceremonies of the Fajr decade. Then, responding to the questions of the correspondents in regards to this incident, he said: The

Washington mosque belongs to the people and must be managed by the people and their representatives. The ambassadors and representatives of the reactionary and dictatorial regimes dependent on the United States, who are no better than a pack of criminals in their own countries, have no right to run this mosque or to appoint a congregational imam as they see fit. He added: The barbaric action of the Washington police is totally and clearly against the law of freedom of thought and religion. "Al-'Asi," who had attacked the anti-Islamic policies of the reactionary countries in his Friday prayer sermon and had called the Muslims of Washington to unite under the leadership of Imam Khomeyni, began the prayers after speaking with the correspondents, brothers and sisters present in the mosque area. After reciting the unity prayers, he talked to those praying. He condemned the barbaric behavior of the police, saying that these heathens, infidels and hypocrites were seriously upset by the unity dominating the Muslims in this mosque. After realizing that they could do nothing to break this unity, they resorted to force and weapons, hoping to make us frightened of a few armed police.

The Steadfastness of Muslims

"Mohammad al-'Asi" asked all the sisters and brothers present in the mosque area not to leave the scene and to invite the other Muslims in Washington to come and stay on the scene until the mosque is completely liberated from the heathens and infidels. The Muslim sisters and brothers are now present in front of this mosque and it has been determined that until the complete liberation of the mosque, they will remain in front of the mosque round-the-clock. Also, yesterday, the sisters and brothers cooperated in painting on a large flag: Police, leave our mosque. The flag is hung on the chained (by the police) doors of the mosque. It should be pointed out that in these events, the criminal U.S. police has supposedly engaged in a new tactic, which is that all the security guards of the mosque have been given Islamic names. The identity cards on their chests reveal that they pretend that these police are an Islamic force and are Muslims. Also, the representatives and the attorneys of the former board of directors of the mosque, who are the ambassadors of the reactionary Arab countries, in talking with the correspondents, present themselves as Muslims, distort the laws and instructions of Islam and the Koran and have claimed that in Islam, the imam must be appointed by the board of directors, and that the people do not have the right to interfere and cannot form a general council like this to elect an imam because this is not recognized in the U.S. courts and is legally void! Another aspect to be pointed out is the expansive reflection of this incident in the local and nationwide media and the distortion of the whole issue. This media, despite interviewing the imam of the Washington mosque and hearing about how the incident

occurred, only reported the views and claims of the representatives of the ambassadors of the reactionary countries and the police officials and presented the events as very superficial and resolved.

Rafsanjani Attacks U.S. for Incident

Tehran JOMHURI-YE ESLAMI in Persian 7 Mar 83 p 12

[Text] A group of the families of martyrs and clergy and members of the Islamic Republican Party of Bahar, Hamadan, along with some members of the Guards Corps of Malayer, met with Hojjat ol-Eslam Hashemi-Rafsanjani, the speaker of the Majlis, before noon yesterday.

According to a report by the correspondent of the IRNA, Hojjat ol-Eslam praised the martyrs and the families of the martyrs for offering their children to the Islamic revolution and said: This revolution belongs to you and all the officials of the Islamic Republic are your servants. He then referred to the attack of the U.S. police on the Muslim mosque in Washington and said: The Americans, despite the empty claims concerning freedom and democracy, do not even tolerate the free and independent movement of a mosque and most unabashedly expect their centers of espionage and influence to be respected throughout the world. The speaker of the Majlis, addressing the Pope, the bishops and the authorities of the Christian churches throughout the world, said: Do not allow the United States and the capitalists of the world to so openly commit this great sin.

The fault of the Friday imam was that he had participated in the ceremonies of the Fajr decade and recounted his observations for the people there. The Hojjat ol-Eslam then referred to the freedom for all followers of godly religions in the Islamic Republic and addressing those who claim they have freedom, said: You who claim freedom, how do you allow yourselves to accuse us of actions against freedom while during the whole period of the revolution, we treated the churches and the temples of others in such a way that today, in the Islamic Republic of Iran, Christian youths fight alongside Muslims and are martyred. The religious minorities participated most happily in the ceremonies of the Fajr decade. The speaker of the Majlis then referred to the narrow-minded and intolerant behavior of the enemies of the Islamic revolution and added: We know that the enemies of Islam and the Islamic Republic dislike any place where there is the name of Islam and support for the Islamic revolution. If they continue this attitude, this will be a beginning of clashes with the mosques, because certainly, mosques throughout the world are centers for the defense of the Koran and the Islamic Republic. In conclusion, Hojjat ol-Eslam Hashemi-Rafsanjani said: God has

taken over protecting the mosques and we are also proud that next to the White House, a number of Muslims provoke the anger of the United States such that, despite all its claims, it has a large army of police attack a mosque and Muslims who want to defend the laws of Islam and justice. This is something for us to be proud of and the wretchedness and abjectness of the United States and its agents is sufficient. God willing, the pressure of world public opinion will prevent the continuation of such aggressions.

10,000

CSO: 4640/149

U.S. ECONOMIC INVASION OF ISLAMIC REGION

GF211316 Tehran International Service in Arabic 1730 GMT 20 Mar 83

[Unattributed commentary]

[Text] The U.S. invasion of the Islamic region takes various forms. After the imperialists American education system invaded the universities of the Islamic countries, the United States began to extend its octopus hands into the issues of the region's peoples, particularly the Palestinian issue. This was followed by an indirect military invasion. There are more than 100,000 U.S. soldiers who make up the rapid deployment force which maintains bases in Oman and awaits the order to invade the Gulf region. In addition to this force there is a U.S. military presence in Egypt and Lebanon and there are military bases in Somalia, Egypt, Sudan and as well as Oman.

The U.S. Administration completed its invasion of the region by binding the economy of the Arab and Islamic countries and regimes to the imperialist economy that is based on the pillars of exploitation and monopoly by which it completes its massive and complete invasion of the Islamic region. It is obvious that in the series of the imperialist conspiracies, the latest U.S. attack on the Islamic world is the best example of this world's subservience to the ugly U.S. imperialism. We have specialists studying this fact to show the extent of the subservience of the Arab World's economy--which is a basic part of the Islamic world--to the imperialist economy.

By reading the figures on the trade exchange between Washington and the Arab World we can clearly observe the massive attack launched by U.S. imperialism against the Islamic and the Arab peoples. The trade between the Arab World and the U.S. Administration in 1981 witnessed a deficit on the U.S. side amounting to \$11.03 billion. This changed in 1982 with the setting of a record surplus in the trade volume in favor of U.S. imperialism; this surplus amounted to \$4.07 billion. The difference between 1981 and 1982 amounted to \$16 billion in favor of the U.S. economy and against the interests of the Islamic peoples.

The economic circles expect this economic surplus in exchanging commodities between Washington and the Arab World in 1983 to increase to more than \$20 billion. This figure will continue to increase yearly so that the Arab World's economy will be totally bound to the U.S. imperialist economy.

These figures show the nature of the current tendency of the agent regimes which have completely tilted toward the imperialist U.S. camp. Previously, the Arab economy had been described as a mixed economy, but since 1982 it has begun to move toward the capitalist U.S. economy. Figures began to show a reversed picture after Arab exports to Washington dropped and their imports from it increased.

Weapons, the machinery of death, are at the top of these imports which have tilted trade volume in the favor of U.S. imperialism. In this respect, the resumption of economic relations between Washington and the ruling regime in Baghdad is one of the major factors behind this tilt in trade volume in favor of U.S. imperialism. Many trade deals were concluded between the Iraqi rulers and the U.S. Administration, amounting to many billions of dollars and included various military and industrial products. Apart from the agreement to establish a powerplant in Baghdad at a cost of many millions of dollars, Iraq has been supplied with more than 60 helicopters and other equipment.

Economic observers account the trade movement between Washington and the Arab World, which began to increase to an unprecedented level, to the known decision the U.S. Administration adopted early last year of removing Iraq from the blacklist which the U.S. law does not allow any trade agreements to be concluded with. After that decision, the record of commodity exchange between Washington and the Arab World began to increase, reaching a balance in mid-1982, and continued to increase to reach the current figures.

Despite the fact that the Saudi regime is at the top of exporters and importers with Washington and the Mubarak regime comes next, the change in figures was not a result of these regimes which were, and are still, agents. The major factor in tilting the trade balance in Washington's favor is the ruling regime in Baghdad as was previously stated.

After this quick review of the serious development in the Arab-U.S. economic relations, we ask these questions?: What does this rapid jump in the trade exchange with Washington mean? Does not it mean an economic campaign to be added to those campaigns which the U.S. Administration have launched against the Muslim peoples?

CSO: 4604/19

IRAN CLANDESTINE CLAIMS TILT TOWARD U.S.

GF250810 (Clandestine) Voice of Iran in Persian 0330 GMT 25 Mar 83

[Text] The Voice of Iran correspondent reports that the repair of all Islamic Republic airplanes is being undertaken at two U.S. military bases in Greece.

According to our correspondent, the U.S. Government which has four bases in Greece has agreed to bring over those airplanes which cannot be repaired in Iran to these bases. The Islamic Republic regime has made a secret request to the United States, that, in view of the Soviet Union's aid to Iraq, it provide modern armaments to the mullahs.

The propaganda attacks by the mullahs against the "Archsatan" have been greatly toned down during the last 2 months. Whenever there is a verbal attack on the United States, it is invariably followed by a similar one against the Soviet Union.

Our correspondent reported that in the last week of February, 10 guards left for Tokyo to attend a training course for the repair of arms so that they can learn to do this work for the Revolution Guards Corps.

CSO: 4640/158

DAILY COMMENTS ON CURRENT FOREIGN AFFAIRS

Gulf Cooperation Council Criticized

Tehran KAYHAN INTERNATIONAL in English 22 Feb 83 p 2

[Text]

TEHRAN, Feb 21 (IRNA) — Member countries of the Persian Gulf Cooperation Council sat for their sixth ministerial meeting in Riyadh Saturday in order to review the latest developments in the region. Discussions were focused on the Iraq-Iran war, the relations between Iran, Syria and Libya and the pricing of oil. The following are excerpts from an editorial in Sunday's issue of the Persian daily Azadegan.

"The Islamic Republic of Iran and the Islamic Revolution is the focal point in all sessions of the Persian Gulf Cooperation Council (PGCC) and the principal reason for all decisions.

"The course of action, therefore, of such assemblies are determined on the one hand by the positive features of the Islamic Republic of Iran and on the other by the opposite nature of those governments. The Islamic Republic is a model setting criteria for the Muslim world, while the reactionary governments are being recognized as being the opposite of the accepted criteria. The reactionary governments of the region share common points wherefore they are impelled to support the ruling government in Bagdad.

"The governments of the Persian Gulf Cooperation Council are oil exporters, which provide this vital product to oil-devourers at very low rates. In the wake of setbacks by the Iraqi government, they are increasing their oil

exports and are opposed to oil price increases in the OPEC meetings.

"The members of the Persian Gulf Cooperation Council which center around the government of Saudi Arabia represent governments without public support, which are also finding themselves face to face with surging Islamic movements in their countries.

"They are opposed to the genuine Islam as publicized by the Islamic Republic of Iran and cannot tolerate it. That is why they have banded together into treaties for checking the growth of Islam and curbing the exportation of the Islamic Revolution... Their efforts for safeguarding Saddam Hussein were as though efforts for safeguarding themselves.

"The members of the council have commitment to Washington and the British government and fulfill their very orders. By organizing their sympathetic aides and aligning them, they are intent on safeguarding their colonialistic interests.

"The recent meeting between the foreign ministers of Iran, Syria and Libya, in Damascus, and their joint communique, as well as earlier supports of the progressive Arab communities, and their condemnation of Arab reactionary beliefs has already rung the bell for the reactionary governments and demonstrated to them that their endeavors have gone with the wind.

"The Arab sheikhs of the Persian Gulf need to be reminded again that their alignment with the United States and Britain and their subordination to them also their support for Saddam had not helped to safeguard their interests, and that such an alignment is destined to lead to an ominous end. Therefore they would be much better advised to return to the fold of Islam and submit to the demands of their own peoples. Or else, a fate such as that of Mohammad Reza (ex-shah) or Sadat or Bashir Gemayel will befall them."

U.S. Threats Against Libya Denounced

Tehran KAYHAN INTERNATIONAL in English 27 Feb 83 p 2

[Text]

WASHINGTON, Feb 26 (IRNA) — Iran's representative at the United Nations, Rajaei Khorasani, last week condemned U.S. military presence in the Middle East and its threats against Libya. He also denounced measures by the United States in various parts of the world under the pretext of supporting its interests.

Speaking at a special Security Council session held upon Libya's request to discuss recent U.S. violation in its air and sea borders, Rajaei Khorasani stressed that the Islamic Republic of Iran supported all the oppressed and their struggles to become free from the yoke of superpowers and imperialists.

He praised the firm stance of the Libyan people in defending their country and hoped that Libya would become an example for other countries in that region where U.S. military and political bases had been established.

Rajaei Khorasani also hoped that the U.N. Security Council could be independent to hinder one of its permanent members not to embark on such destructive policies in the Third World.

He noted that the world was witnessing U.S. interference in Latin America, its presence in African coasts, in the Far East, and in the Indian Ocean as well as oppression all over the world.

Of course, he said the U.S. would claim that its finger prints in all troubled corners of the world were due to its special inter-

est in international peace and security and for supporting "friendly" states.

The Muslim people of Iran were fully aware of the precise meaning of the U.S. support for "friendly" countries because they had not yet forgotten the presence of some 40,000 U.S. advisors in Iran and the close cooperation between the CIA and the defunct former regime, the Iranian representative said.

He argued that why all "friends" of the U.S. were hated by their own people, why such "friendly" states could not stay in power in the absence of the U.S. support, and why for the Third World people true meaning of freedom and independence was the overthrow of pro-U.S. regimes.

Suppose all U.S. claims against Libya were true and the latter was really threatening some of its neighbor countries, the Iranian representative said. Therefore, it would be the right of those people to defend their own countries and there would be no need of U.S. presence, he continued.

He noted that the total population of Libya was less than 3.5 million while the number of U.S. unemployed and addicts each exceeded four times this figure. Rajaei Khorasani added that with this population, Libya could not be regarded as a danger for which U.S. AWACS and fleets be dispatched.

He stressed that this was not the

first time U.S. military forces, and its propaganda machine, were disturbing peace and security of a region under the pretext of supporting its friends. The policy of imperialism is sowing discord, creating tension, interfering in the affairs of others, and dominating over the oppressed. Rajaei Khorasani remarked.

This is the same policy which has imposed Zionists on Palestinians, which is assisting the racist South African regime and has imposed the Iraqi war on the Islamic Republic, the Iranian representative said.

West's Non-Success Noted

Tehran KAYHAN INTERNATIONAL in English 28 Feb 83 p 2

[Text]

TEHRAN, Feb 27 (IRNA) — The Persian daily Azadegan said in an editorial Saturday that despite its many and varied efforts, the West has scored no success in solving its problems in the Middle East. Excerpts:

"It is a known fact that after the Zionist invasion of Lebanon and the military support of the NATO countries for the Zionist aggression against it and also other supports for the Phalangists in Lebanon this country has ceased to be a threatening state to Israel, and apart from the patriotic resistance of the Muslim people of Lebanon, the Lebanese government is a

puppet one and subservient to the will of Israel.

"The Israeli government does not anymore consider Lebanon as a warring neighbor.

"The only country which has not joined the Camp David Accord and which is challenging Israel is our brother country, Syria. Syria while having refused to sign any agreement with the Zionist government is also fighting with the ruling regime in Baghdad and it has condemned the military aggression against Iran by the Iraqi regime.

"Syria participated in the Fez Conference and thereby proved that it is an independent and

struggling country.

"In view of what has been happening in the region we can readily see that the West and the western-inspired powers have not been successful in the region.

Once principal reason which has checked the success of the West in the region has been the statements by the Iranian officials. The president, the speaker of the Majlis and the prime minister have all emphasized on the need to fight against imperialism, and for successfully ending the war and going on with the Val Fajr operations (currently underway) against the Iraqi aggressors."

Successes in International Suits Commended

Tehran KAYHAN INTERNATIONAL in English 2 Mar 83 p 2

[Speech by Deputy Prime Minister Mohammadi]

[Text] TEHRAN, Feb 28 (IRNA)--The Islamic Revolution of Iran has achieved notable results in legal fields and international suits. One such achievement is the establishment of the International Law Services Office, the Deputy Prime Minister in charge of the office, Manuchehr Mohammadi, announced Sunday.

He said that prior to the Islamic Revolution of Iran the defunct shah had plundered the wealth of the Iranian people through his agreements with the multinational corporations--especially those belonging to the U.S. The embezzlement of funds from the public treasury of the Iranian nation, added Mohammadi, resulted in the flow of petrodollars back to the U.S. and other western capitalist oil consumers.

He said these types of corporations no longer exist in Iran, some of them, either left Iran or their contracts were annulled by Iran. This led to many international suits being filed against the Islamic Republic, noted Mohammadi, while not even one similar case was brought up during the reign of the defunct shah "because he did his best to satisfy the foreign investors. If a dispute arose, he did not allow it to be resolved by an international tribunal."

He said the provisional government formed right after the culmination of the Islamic Revolution of Iran announced its support and respect for all international agreements. But he said, this put his office in a difficult position since it was forced to unilaterally respect the one-sided agreements which served the interest of the foreigners.

He said Iran has had to consolidate and protect its revolution while the major part of her wealth was frozen by U.S. and European firms.

The government of the Islamic Republic of Iran was faced with more than 6,000 law suits amounting to more than \$65 billion added Mohammadi, he said at that time, no organization existed which could systematically defend the rights of Iran in international arenas.

Concurrent with the Iraqi aggression against Iran, added Mohammadi, Iran was bombarded with all those law suits while it had no specific plan as to how to deal with them.

In addition to that, he said the foreign mass media belonging to the imperialist countries all were against Iran.

He continued that in such a milieu the formation of an organization to consider and study these law suits was a must for the Islamic Republic of Iran. Hence the International Law Services Office was formed in April of 1982, which was really the merger of the Central Bank of Iran's International Suits Committee, and the Algerian Accords' Coordination and Implementation Committee.

He said his office was working under the auspices of the Prime Ministry and that a high council comprising the prime minister or his representative, the foreign minister, the economics and finance minister, the justice minister and the governor of the Central Bank of Iran were supervising over its activities and services.

Services Hitherto Rendered

Speaking on the services hitherto carried out by his office, he said they included the necessary preparation of the organization for active participation and defense in international circles, establishment of representative offices in London, Paris, The Hague and Washington so as to preserve the interests of the Islamic Republic in these places.

He said Iranian lawyers with international experiences and in command of English or other internationally used languages were called on to help the office. Many lawyers were also being trained in a foreign language as well as

international law, the first group of these was being sent abroad to receive education in those fields..

He said the office's emergency plans included responding to the cases filed against Iran abroad and establishing coordination in the use of legal measures. He said his office was now adequately prepared to face any international suit against Iran.

The short-term plans of the office, added Mohammadi, included the propounding of the suits, either jointly or independently, for gaining the rights of the Iranian nation. He said among such suits was that of the U.S. violations vis-a-vis the Algiers Accord which was announced by Iran in international arenas and hence placed the Great Satan in a dubious position in international circles.

He said his office had also planned to solve the difference in out-of-court settlements. Iran has reached these agreements through its representatives' offices abroad.

Mr. Mohammad said some 84 cases have been studied in this manner; some 59 cases have been successfully resolved; 38 cases are being prepared for discussion abroad; and nine cases are being discussed. He said 29 cases have been discussed for which agreements are being prepared, while 14 cases are in the final stages of study and investiture and 15 cases are in the final stages of review.

One of the successes of the Islamic Republic has been, added Mohammadi, that out of the 137,846,200 dollars claimed against Iran, Iran has had only to pay 36,295,371 dollars and his office has started its work for extracting Iranian rights from countries, organizations and other bodies which owe Iran large sums of money.

Medium-Range Programs

Among the medium-range programs of the office, added Mohammadi, are the procurement of a needed skilled cadre in legal services.

He said the office's long-term program included formation of an Islamic international arbitration chamber based on Islamic law in order to rid the Third World and the Islamic countries of the problems raised by the superpowers' judgements and arbitrations.

Speaking on the Algiers Accord, he said all the results from the accord were relegated to a committee in The Hague, which comprises three Iranian, three American and three impartial arbitrators. The committee has been working for two years, and is to issue its verdict in 22 cases, 13 of which agreements have been settled out-of-court. In 6 cases verdicts have been issued supporting Iran and in 3 cases, Iran has been called on to pay.

He said Iran had received so far some nine billion dollars from the U.S. but the issues of the Iranian military and non-military properties in the U.S., the former regime's oil prices in deals to the U.S. and bank guarantees have not yet been solved. These cases are loaded with U.S. violations.

About the interest owed Iran on a one billion dollar account by the U.S., Mohammadi said it was propounded in court, but with no change in the condition of the money. He said future discussions will finally resolve the issue adding that the money is being kept in a separate account.

In conclusion, Mohammadi said France, in spite of having been ruled against in court and called upon to pay her one billion dollar debt to Iran (which had now risen to 1.5 billion dollars because of interest), the French government has still refused to pay Iran that amount.

The loan was given to France's Atomic Energy Organization by the former regime of Iran said Mohammadi and Iran will bring up the case in international circles again.

OPEC Price Policy Berated

Tehran KAYHAN INTERNATIONAL in English 2 Mar 83 p 2

[Editorial]

[Text]

The news of a drop in oil prices by some of the oil producing countries was widely reported by the Western news media.

Some considered the sudden price cuts as a natural outcome of the oil glut in world markets without noting that the cuts were artificially triggered. Of course, it is natural that the imperialist-zionist news media should not be concerned over this matter because it is their own creation. Thus, the time is ripe for seizing the opportunity to blow their trumpets loud in announcement of an oil price crisis. Their noises aim at encouraging the oil producing nations — especially, those who triggered the price cut — to continue this trend.

Surely, there are some reporters who have presented certain facts — that is, they have indirectly disclosed Saudi Arabia's as well as other of the region's reactionary regimes' treacherous role in the present crisis — with the result that the regional masses have become more awakened. They see how their countries' unpopular client regimes, in collaboration with global imperialism, are fast draining their territorial resources.

Last week, the oil ministers of the Persian Gulf countries held a meeting in Riyadh to review the price crisis. At the end of the conference, Zaki Yamani, Saudi Arabia's oil minister declared that Kuwait, Iraq, Qatar, UAE, Indonesia and Saudi Arabia had agreed to a newly set price.

Exactly forty-eight hours after the conference concluded in Riyadh, the British government announced its decision to reduce the price of North Sea oil. And Nigeria

subsequently announced the lowering of its oil prices by 5.05 dollars per barrel. Immediately after these announcements, preliminary steps were taken for holding an emergency OPEC meeting. Hence, Saudi Arabia, Iraq, Kuwait, Qatar and UAE threatened to put pressure on OPEC (during this week's extraordinary meeting) to accept the new prices.

Here, the deprived people of the Persian Gulf countries, especially the Saudi Arabians, should ask their governments why and in whose interest they are making such hectic efforts to cut oil prices. The deprived peoples should also question these traitors as to why they insisted on higher production before the price crisis set in.

It is appropriate at this point that the history of oil price fluctuations be reviewed. Prior to the Islamic Revolution of Iran, oil was sold at 12 dollars per barrel. However, during the post revolution, due to the sharp reduction and halt of Iranian oil exports, oil prices took a spiralling course. And despite Saudi Arabia's complicity to compensate for the shortage, oil prices trebled. From then on, the Western oil cartels that were beset with a sudden and unexpected crisis, by coaxing Saudi Arabia to raise its production, increased their oil reserves substantially.

After their reserves reached a high point of saturation, Saudi Arabia loosened its insistence on higher production. This was because it had executed the dictated plan to create an artificial oil glut. Saudi Arabia must henceforth direct its efforts toward cutting oil prices. This however, must be gradual and not hasty; a swift drop in oil prices may cause losses to Western oil companies.

On the one hand, because the reserved oil has been procured at high prices, a downward trend in prices would sharply curtail their profits. On the other hand, extremely low prices would be damaging to British and Norwegian oil production. However, some day the oil reserves that have been purchased at high prices, will diminish and so the oil cartels are calling for reduction in prices, so that, unlike the crisis period after the victory of the Islamic Revolution when the Western oil companies were forced to store oil at high prices, this time they will have cheaper oil for their reserves.

Thus, in the past days, the Western news media, through a barrage of false assertions and outright lies, have been trying to project a frightful picture of a global oil crisis. And with repeated stress on this artificial oil glut, they have insisted that there is no alternative other than a price cut. Immediately, the oil ministers of the Persian Gulf countries held a meeting in Riyadh and warned that OPEC should review its oil price index.

It should be pointed out that the victory of the Islamic Revolution came as a potential threat to imperialist interests as well as those of its regional clients.

Since the victory, various unsuccessful plots have been launched against Iran in order to bring down its government or at least to weaken it morally and economically. These whimsical thinkers are totally ignorant of the fact that the Islamic Republic of Iran, as a citadel of truth against falsehood, has exposed the subservient policies of the regional reactionary and client regimes.

The Islamic Republic has always defended the rights of its deprived masses and all oppressed peoples, and will continue to do so. The Islamic Republic of Iran will never allow the client regimes to plunder the resources of the region's deprived masses and place these resources at the disposal of their imperialist-zionist overlords at practically no charge.

With the help of God, the awakened masses of the region will steadfastly safeguard their unreplenishable resources against imperialist plunders.

TEHRAN REPORTS, EVALUATES AFGHAN AFFAIRS

Cordovez Mission Criticized

Tehran KAYHAN INTERNATIONAL in English 27 Feb 83 p 2

[Interview with Mujahedin Justice Committee Chief Rafi Ullah Moazzan]

[Text]

LONDON (AAP) — Chief of the Justice Committee of the Islamic Alliance of Afghan Mujahideen Maulvi Rafi Ullah Moazzan commented on the Cordovez mission and pointed out that in the course of the talks the Soviet Union did not give an indication for taking measures to withdraw troops from Afghanistan.

In an interview with the Agency's Correspondent in Peshawar, he wondered that U.N. Special Representative was continuing talks without consulting the aggressor while on the other hand the Soviet Union was sending fresh troops in Afghanistan and arms and ammunition in huge quantities including Napalm Bombs and chemicals for the massive killing of the Afghan masses.

He pointed out that the western leadership was giving a false impression to their people by paying mere lip service to the Afghan issue by talking about a political solution. The Mujahid leader warned that the Soviets are gaining time through its facade regarding a political solution before the nations of the world. In the meantime the invading country was tightening its grip over Afghanistan.

Explaining the Mujahideen's stand he made it clear that the Mujahideen could not be cheated by any such theme as a political solution and that they were determined to solve this issue in the battle-field. The Afghan leader reiterated the Mujahideen's view that there were only two parties involved in the Afghan issue — the Soviet Union and the Mujahideen launching the resistance movement. He said that any solution would come about through direct talks between these two parties and before any such initiative the unconditional withdrawal of the Soviet forces was a pre-requisite.

On a proposal for the formation of a combined administration in Afghanistan, Rafi Ullah Moazzan said that Mujahideen were not ready to form a joint administration with Parchamis and Khalqis because there was no common link between believers and non-believers.

In reply to a question on the possible return of the former King Zahir Shah, he maintained that Zahir Shah was responsible for all the ills of Afghanistan. He had thrown Afghanistan into the lap of the Soviets and if he had been capable of delivering any goods, he would not have committed this crime.

Meanwhile, as a result of Mujahideen's successful guerrilla operations in Kunar province, the Karmal administration has

wound up a sub-division Manogai and a new sub-division Otahpur has been set up in its place.

Agency Afghan Press sources in Kunar report that in the last week of January the Karmal administration decided to make Otahpur a sub-division and with effect from 1st date of Afghan calendar month "Dalva" (21st January) shifted the troops to the sub-divisional headquarters. A Parchami, Matin Khan, has been appointed sub-divisional administrator of Otahpur. It is said that Soviet-Karmal camp of Manogai was the target of Mujahideen and government troops were continuously suffering heavy loss of life at this camp.

Otahpur is situated near the provincial headquarter Asadabad (Chugha Sarai) and can be immediately reinforced. The freedom fighters of Islamic Alliance of Afghan Mujahideen cleared mines laid by Soviet-Karmal forces near the new sub-division enabling them to launch an attack on February 1. On the next night, Feb. 2, when Commander Rady Gul along with his eight companions was advancing for an attack, it was noticed that the surrounding area was again mined by Soviet-Karmal forces as with a mine blast the son of Commander Mian Gul of Kunar province was seriously injured. As a result of this mine explosion the Soviet-Karmal forces became alert and Mujahideen had to drop the venture.

Soviet Slavery Denounced

Tehran KAYHAN INTERNATIONAL in English 28 Feb 83 p 3

[Speech by Islamic Party Leader Gulbuddin Hikmatyar]

[Text]

PESHAWAR, Pakistan (Dispatches) — Afghan guerrilla fighters clutching Soviet-made Klashnikov rifles and bundled in wool against the winter chill guarded the hideaway of the most feared leader of Afghanistan's resistance movement.

Inside, Engineer Gulbuddin Hikmatyar, 35, leader of the Islamic Party, looked relaxed and confident and spoke of victory in the fight which began in Afghanistan three years ago.

"We have a very high morale and are confident of tomorrow's victory," said Hikmatyar.

"We have preparations for a very long resistance. We feel it's in our favor and not in favor of the enemy.

"When we see the daily casualties of the Soviet Union and that world opinion is against the Soviet invasion of Afghanistan, and when we see their financial problems caused by this war and the internal opposition of their own people — we know they cannot endure this for a long time.

"Now the Soviets are ready for talks, and those are the reasons," Hikmatyar said.

The Soviet Union invaded Afghanistan on the night of December 24, 1979 in a classic blitzkrieg operation.

It began with the airlift of an airborne division from Moscow that landed in Kabul and seized control of the city. Simultaneously, a ground invasion by two motorized rifle divisions started from the Soviet-Afghan border on modern highways the Soviets built during the 1960s.

On December 25, Afghan leader Hafizullah Amin was killed in a shootout at the presidential palace and the Soviets installed Babrak Karmal as head of the country.

By January, there were an estimated 85,000 Soviet troops in Afghanistan.

Strength of Afghan Mujahideen Underestimated

The Soviet strategy, according to western diplomats, was to secure the major cities, highways and lines of communication

and then to pacify the countryside with the Afghan army. This assumed the nation's 16 million people would embrace the new Karmal regime.

This acceptance failed to materialize. The Soviets underestimated the strength of the Afghan insurgents who were committed to driving communism out of the country and setting up an Islamic form of government.

The Soviets also were beset by massive defections in the Afghan army, whose strength has dwindled to 30,000 troops from a high of 100,000 before the invasion.

The Russians have beefed up their own strength to an estimated 105,000 troops, with 30,000 more on alert along the 1,100 mile (1,700 km) Soviet-Afghan border.

"Soviet and Afghan army forces have not broken the military stalemate on the ground," said one western diplomat. "The Mujahideen dominate the countryside while the Soviets control the urban areas and major roads, although subject to challenge."

He said the major change in Soviet tactics this year was a shift to a "scorched earth policy" that included massive bombing runs in the Panjshir Valley, Kandahar, Paghman, the Logar Valley and Herat.

"Though the bombings were fairly destructive, wiping out villages and crops, the Soviets have not been able to translate their heavy-handed tactics into increased control of Afghanistan as a whole," he said.

In all cases, another diplomat said, the resistance forces were quick to filter back into the areas and "the greater part of the country remains in Mujahideen hands."

"The guerrillas have shown an amazing ability to bounce back and launch their own operations, even in urban centers under Soviet control such as Kabul. There is no evidence of a flagging spirit or drop in morale," the diplomat said.

Soviets Using Chemical Warfare

The resistance groups complain of a lack of military support from nations such as the United States and Pakistan. The Mujahideen groups, many based in Peshawar, 40 miles (65 km) from the Afghan border, say anti-aircraft weapons are urgently needed to counter Soviet helicopter gunships.

The U.S. State Department recently announced it had conclusive evidence the Soviets were using chemical warfare in Afghanistan.

In an interview with UPI, Lt. Gen. Ghulam Siddiq Miraki, who recently defected from his post as a senior official in the Afghan secret police group Khad, cited four instances in which the Soviets used gas or chemical agents against the insurgents.

He said in one case last August a poisonous gas aimed at Mujahideen in Central Afghanistan was carried by the wind to Russian troops instead, "killing a great number."

Miraki said he worked closely with the KGB and that the Soviets were building anti-aircraft missile sites in the Northern Wakhan border region aimed toward the Chinese border.

He also said the Soviets had set up bases near the Afghan border to infiltrate Iran and Pakistan "for the purpose of operating against the Mujahideen."

The secret police official said the late Soviet President Leonid Brezhnev planned to make Afghanistan a part of the Soviet Union. He said the plan was to have been carried out earlier this year but failed because of Karmal's inability to win a vote of confidence for his leadership in March.

The Afghan guerrilla fighters appear better organized now than before with the establishment this year of two main alliances based in Peshawar.

Superpowers — Against Formation of Real Islamic Gov't

The largest group, the Islamic Alliance for the Liberation of

Afghanistan, is made up of seven organizations, including Hikmatyar's, and is the more militant of the two in terms of its aim for a purely Islamic government.

But the resistance effort still is hampered by its inability to form a single alliance that could designate one leader to represent the Afghan people at the negotiating table.

Hikmatyar has been criticized by other groups.

He says both the United States and Soviet Union are behind a plot to discredit his group because "they want to prevent the formation of a real Islamic government in Afghanistan." Unlike the moderate leaders, he said his group would never negotiate with the Soviets.

"The Russians have the butcher's sword over the head of the nation. We have to take the sword out of their hands," he said.

"To say we would negotiate would be to write the document of our slavery."

Preliminary talks aimed at ending the Soviet occupation between a United Nations representative and the governments of Afghanistan, Pakistan and Iran resumed on Jan. 18. But there is no indication the Soviets are ready to pull out of Afghanistan.

"There is no evidence that the Russians are prepared to withdraw," a western diplomat said. "Despite the economic cost, the Soviet Union has continued to develop its military investment despite significant casualty levels (probably some 10,000 Soviets killed and wounded since the invasion).

Ayatollah Montazeri Receives Afghan Ulama

Tehran KAYHAN INTERNATIONAL in English 1 Mar 83 p 2

[Text]

QOM, Feb. 28 (IRNA) —

Hojatoleslam Hajj Shaikh Mohammad Akbar, one of the leaders of the Islamic Movement of Afghanistan and a number of Afghan ulama met with Ayatollah Hussein Ali Montazeri here on Sunday.

The visitors gave a report on the internal situation of their country and its Islamic movement and on the recently formed Combatant Ulama Association of Afghanistan.

Ayatollah Montazeri lauded the services of Afghanistan's combatant ulama and their steadfastness in the face of the problems confronting them.

He also said that the Islamic Revolution of Iran felt responsibility toward the Islamic movement of Afghanistan and would strengthen it as much as it could.

Tehran Issues I.D. Cards to Afghan Refugees

Tehran KAYHAN INTERNATIONAL in English 1 Mar 83 p 1

[Text]

TEHRAN, Feb. 28 (IRNA) — More than a million and a half Afghan refugees now in the Islamic Republic must report to government offices throughout the country beginning March 12, to be issued identity cards.

Abbas Akhundi, the political deputy of the Iranian Interior Ministry said in a televised press conference Monday that this number of Afghan refugees had been kindly treated by the Islamic Republic despite the difficulties posed by the Iraqi imposed war. He also criticized the U.N. for what he said was its failure to act upon its responsibilities in giving facilities to Iran in this regard.

Akhundi said the unofficial presence of the Afghans had created a number of problems and in order to eliminate them, the government had taken the step to start issuing identity cards to them.

He said all Afghans should report to the local governorates and district offices in Iran and

after necessary investigations by the authorities they would be given the identity cards, beginning March 12.

Once this step was taken, he added, all matters pertaining to living facilities, welfare, legal facilities, education, marriage, political activities, transportation, employment and foreign and domestic travel would be officially recognized.

The Interior Ministry official said any Afghan without the identity card would not be allowed a job, but others could be hired under certain regulations to be announced by the Labor and Social Affairs Ministry. He added that the Afghans who held the official identity cards could change 50 percent of their salaries into foreign currencies and send it abroad.

Concerning the Afghans' political activities, Akhundi said that Afghan groups were free under the condition that they did not violate Iranian laws in this regard.

MARCH BY AFGHAN IMMIGRANTS IN ZAHEDAN REPORTED

LD151452 Tehran Domestic Service in Persian 1030 GMT 15 Mar 83

[Text] According to a report by the Central News Unit from Zahedan, on the occasion of the marking of 24 Esfand [15 March]--the day of the uprising of people of Herat, in Afghanistan, against the Russian aggressors, this morning a group of Afghan immigrants living in Zahedan staged a march.

While carrying portraits of the imam of the Ummah and the esteemed juris-consult His Excellency Ayatollah Montazeri and shouting slogans like: "Unity is our faith, martyrdom our aim," the marchers went through a number of streets in Zahedan and gathered by the graves of martyrs in Behesht-e Mostafa.

During the gathering, one of the Afghan immigrants made a speech about the bloody uprising of the people of Herat against the Russian aggressors. Then Hojat ol-Eslam Mo'ayyedi the supervisor of the Zahedan Seminary made a speech about the achievements of the Islamic Republic and the secret of the victory of the risen people of Iran over world blasphemy, under the leadership of Imam Khomeyni.

At the end of the march, a seven-point resolution was read out. In a part of the resolution, it says: We support the stance of the Islamic Republic of Iran in the recent nonaligned summit, regarding the immediate, unconditional withdrawal of the occupying Russian troops from Afghanistan and the determination of the fate of the people of Afghanistan by themselves and the establishment of an Islamic government.

In another part of the resolution, it says: The Mojaheds and the expatriates of the Islamic revolution of Afghanistan endorse and support the achievements of the Islamic Revolution of Iran; condemn the disgraceful aggression by the Zionist regime of Iraq against Islamic Iran; declare our support for all liberation movements, especially genuine Islamic movement; and condemn the presence of the more than 100,000 Russian soldiers in Afghanistan, which openly insults the Nonaligned Movement and contravenes its principles.

The resolution also welcomes the plan of the Islamic Republic of Iran to issue identity cards for Afghan expatriates in Iran.

On the same occasion, a group of Muslim Afghans living in Saveh started an organized march and demonstration on the streets of that town. By shouting crushing slogans, the marchers expressed their disgust for the crimes committed by the Russian occupiers in Afghanistan and the killing of more than 25,000 Afghan Muslims. The marchers then gathered at Saveh's Enqelab Mosque and one of the Afghan expatriates made a speech about the crimes committed by the Russian occupiers in Afghanistan.

CSO: 4640/157

'IRAN CLANDESTINE' DENOUNCES BANI-SADR TURNABOUT

GFi81120 (Clandestine) Voice of Iran in Persian 1805 GMT 17 Mar 83

[Excerpt] Once upon a time, there was a Bani-sadr, whose first name was Abolhasan. When his spiritual father came to Tehran, he brought him along under his cloak. Before then, he was engaged in struggling activities in Paris and before Khomeyni's blitzkrieg to Iran, all the people knew him. He was constantly struggling and through struggling, he possessed a house and three children.

Abolhasan found a friend by the name of Ahmad Salamatian over there whose father was a walnut seller in Esfahan. The son was a homeland seller in Paris. In January 1978 Ahmad Salamatian was continuously dispatching the news from Tehran to the BBC and if the foot of a mullah was slightly injured in Tehran, the BBC would broadcast the news of the incident the same night.

As a good fate, Khomeyni appeared to be a relative of Bani-sadr and was also considered a spiritual son of the imam of Umma. Bani-sadr was engaged in the strife in Tehran, and at the time of the execution of the brave Iranian officers on the roof of 'Alavi Theological School, Bani-sadr was also engaged in struggling, travelling, holding political debates with Babak Zahra'i, and with his father's riches, was spreading Islamic propaganda.

One day Ruhollah Khomeyni decided that the spiritual son should become president. It wasn't a difficult task. Mehdi Bazargan became the prime minister by kissing the hand of imam. So Bani-sadr, by kissing the hands of imam several times, became president. Bani-sadr was constantly struggling and Khalkali, for the cause of Islam, was executing.

Compatriots, beware, beware that once again a plot is peeping up. Beware that Abolhasan Bani-sadr is talking about the agreement of 1975. Beware that Bani-sadr is talking of international law and the Hague International Court of Justice. The person who did not approve of the legal regime of Iran and who considered its agreements abolished, is now leaning on all these agreements.

Compatriots, beware. Bani-sadr the hostage-holder is talking of the international court of justice and the international law. He is talking of international boundaries. Finally, beware that he considers [words indistinct]

imperative, acceptable and practice. Compatriots, be careful and beware that on the last days of the regime of Ruhollah Khomeyni, when the budget is deteriorating, the army is dispersed, and when the differences among the mullahs have reached a crescendo, beware of the plots of these fostering mean people, who are solely responsible for bloodshed of 30,000 Iranian youth and who have been engaged in killing and bloodsucking for the past 4 years.

Beware that the task of the regime of Ruhollah Khomeyni is over. We do not say that task of the Islamic Republic; we say the task of the regime of Ruhollah Khomeyni. We have not said it, but even Ruhollah Khomeyni himself said it in the KEYHAN newspaper of this Thursday, 17 March. He said: You people cut out your actions on this new year's eve. We haven't said this: Banki, Rafsanjani, Mehdevi Kani and Montazeri said it. The world-swallowers and ration-receivers have prepared themselves for this destiny-making movement.

We repeat once again, that Bani-sadr, or the Bani-sadrs, have no place in the nation of Iran. These sharp-toothed wolves have changed their masks for every occasion. Please read the diary of the president in his famous newspapers. Read the speeches of these misters and the newspapers of the past 4 years. Even read those papers which were published after when they came out from the Khomeyni censor's scissors. Hear the alarm, the voice of the alarm and not the voice of those [words indistinct] which every night announces: In a few seconds, by the voice of Big Ben, we start our program. These voices have reached their end. They are finished. Let them be wishful who are the starters.

CSO: 4640/157

HUMAN RIGHTS VIOLATIONS CITED BY FORMER UNIVERSITY RECTOR

Paris LE FIGARO in French 12-13 Feb 83 p 2

/Commentary by Houchang Nahavandi, former rector of the University of Tehran; passages enclosed in slantlines printed in boldface/

/Text/ The Islamic Revolution is 4 years old. On the occasion of this anniversary, Professor Houchang Nahavandi, former rector of the University of Tehran, assesses developments in Iran since 11 February 1979.

Four years ago, /on 11 February 1979/, the final assault which was to make the Ayatollah Khomeyni and his supporters masters of Iran the next day was beginning in Tehran.

Every anniversary is an opportunity to make an assessment. An assessment of the Tehran regime no longer has to be made: terror, unemployment, poverty, inflation and the gradual Sovietization of Iran.

/The "Islamic" Revolution has not accomplished anything that it promised. It has destroyed or jeopardized what existed./

The regime's record in the area of human rights is particularly serious, Khomeyni's republic is only lasting due to a blind and bloody terror which has caused more than 1 million Iranians--the elite of the country more or less-- to flee abroad. /According to irrefutable proof, cross-checks and consistent evidence, over the past 4 years, at least 200,000 people have been executed, assassinated or liquidated by the regime in retaliation;/ equivalent to the population of a city like Lille. This is absolute genocide. At least 50,000 to 60,000 "counter-revolutionaries" are languishing in the former Neauphle tourist's /reference to Khomeyni/ jails. Torture is standard practice there, as numerous witnesses have pointed out.

Over the past few weeks, some still timid and discreet reactions against these barbarians, who however have not stopped or slowed their pace in 4 years, have been expressed. Even Amnesty International has reacted vigorously. It was time for this. Can we remain indifferent in the face of so many crimes against humanity?

It is essential that an international commission of inquiry made up of persons of internationally recognized moral authority be formed; the Iranians will be able to bring it indisputable proof and testimony in regard to the Iranian tragedy.

An assessment of the crimes of Khomeyni and his regime must be made, and the truth brought out, as it was for Hitler's camps and the gulags. Isn't silence in the face of such crimes a crime in itself?

President Francois Mitterrand continues to stress the importance of a respect for human rights in France's foreign policy. It would be to the credit of the French authorities and leaders if they were to take the initiative for this international investigation.

Isn't it time to prove that for defenders of human rights there cannot be corpses which matter and corpses which don't, and that awareness of crimes against humanity can hardly be selective?

9693

CSO: 4519/41

'IRAN CLANDESTINE' REPORTS PRISON FIRE, EXECUTIONS

GF280524 (Clandestine) Free Voice of Iran in Persian 1500 GMT 25 Mar 83

[Text] The office of the Mojahedin-e Khalq Organization, in a communique issued in Paris, has reported the names of persons executed by the Islamic regime of Khomeyni in recent times. The communique says that seven political prisoners in Rasht Prison were killed. On 13 March at 2100 at [name indistinct] prison in Rasht, which houses political prisoners, a large fire occurred within the building. The revolution guards, instead of helping the fire-engulfed prisoners save themselves, opened fire on them and as a result, seven political prisoners from among the supporters of the Mojahedin-e Khalq Organization were killed and their bodies were consumed by the fire.

The Rasht Prison officials have so far not mentioned anything about the incident or named those killed on the occasion.

According to another communique issued by the Paris office of the Mojahedin-e Khalq Organization regarding the execution of political prisoners, in the wake of world reaction to a report published by the UN Human Rights Commission on Human Rights Violations Under the Islamic Republic, Khomeyni's regime continues the daily executions of political prisoners in Tehran and all other towns. According to confirmed reports received by the Mojahedin-e Khalq Organization, several supporters of Mojahedin-e Khalq Organization, named Fatemeh Shabdari, Moluk Mandegaran, (?Musheh) Jannati, Abbas Jannati and Mehdi Gorgani have recently been executed in (?Haraz). Earlier, another nine supporters of the Mojahedin-e Khalq Organization were executed in this connection and their names are as follows: Zahra (?Mashhad), Hadi Azad, Maryam Seydaqa, Mohammad Daud (?Mzi), Mehran Mohammadi, Mojtaba Azad, 'Ezzatollah (?Fahranpur) and Majid Sharifi, Abdorreza [name indistinct]. Similarly in Mashhad, six political prisoners were moved to a secret place set aside for execution of political prisoners and were executed there on 13 March. Three of these executed persons are Sa'id (Ershad-Qadavi, Yahya (?Mirza'i) and Karufar Koshis.

The Paris communique of Mojahedin-e Khalq Organization also said one girl, Tahereh Eslami, 18, was shot in Forgan Prison last week after 4 months of torture. Her mother, Kolsum Eslami, and her brother, Mohsen Eslami, were executed earlier. Now her two brothers and a sister are in Gorgan Prison.

'IRAN CLANDESTINE' REPORTS RIOTING IN QUAKE AREAS

GF280626 (Clandestine) Voice of Iran in Persian 1805 GMT 27 Mar 83

[Text] Last Saturday, 26 March, a number of relatives of people affected or killed by the Amol earthquake clashed with the revolution guards at the 85 km marker on the Amol Highway.

The Voice of Iran correspondent reported that soon after the report on the earthquake was received, people with relatives living in the affected area, fearing that their relatives may have been hit by the earthquake or landslides touched off by the tremors, rushed to the area. The Voice of Iran correspondent reports that these people were stopped by some 200 revolution guards around the 80 km marker on the Har Highway from Tehran to Amol. The revolution guards stopped the rushing to provide relief. One (Daghayer), a 25-year-old youth who wanted to cross the road to aid the relief officials, was shot and wounded. He was immediately moved to Tehran.

According to an injured person who reached Tehran soon after the earthquake, a group of officials arrived by truck at the affected spot 4 hours after the earthquake and began first of all identifying people. This man said the official claim that a number of injured were found a little ways away from the highway is a plain falsehood. According to him, at the time of the landslides and falling boulders, all the automobiles were moving on the road and nowhere else.

According to the experts of the Road Ministry, because of a shortage of relief personnel, the regime has been forced to use army machinery and equipment.

CSO: 4640/158

FURTHER ON IRAN EARTHQUAKE, RELIEF OPERATIONS

GF261622 Tehran IRNA in English 1530 GMT 26 Mar 83

[Text] Tehran, 26 Mar (IRNA)--The head of the Iranian Red Crescent Society, Dr Firuzabadi, flew by helicopter with a team of relief workers this morning to the site of the earthquake-stricken region 80 kms northeast of Tehran, near the skirts of the 5,628-meter-high Damavand Mountain.

So far some 100 people, including 90 motorists, have been killed and until 6.00 hours this morning 40 injured persons have been transferred to hospitals in Tehran and the Caspian Sea town of Amol.

The earthquake occurred at 15:29 hours Friday afternoon and was registered at less than 5.5 on the Richter scale. Hours after the quake, reports were that the town of Gazanak and the nearby villages have suffered casualties and destruction.

Also the Haraz Highway, one of the three highways linking Tehran with the Caspian Sea provinces of Gilan and Mazandaran, was closed down by falling rocks and snow soon after the quake occurred.

The high number of casualties among motorists has been due to the ending of the official government holiday on the occasion of the Iranian new year [began 21 March] and government staff were to report to their offices this morning.

Soon after sunrise, additional rescue teams including two helicopters belonging to the Iranian Red Crescent were sent to the scene of the disaster along with medical equipment, medicine, blankets and clothing. A relief headquarters was set up in Gazanak late Friday, 80 kms northeast of here, and rescue teams are continuing their efforts in helping the victims out of their leveled homes. In some parts of the region, snow covering the ground is as high as one meter.

CSO: 4640/158

PROSECUTOR-GENERAL ELABORATES ON HOARDING, PROFITEERING

Tehran: KITAABA'AT in Persian 2 Mar 83 p 3

[Interview with Prosecutor-General Ayatollah Sane'i; date and place not specified]

[Text] In an exclusive interview with the correspondent of the CENTRAL NEWS UNIT, Ayatollah Sane'i, the prosecutor-general, expressed his views in regards to the problems of hoarding, overpricing, confronting the phenomenon of economic terrorism, the recent statements of the prosecutor for guild-related affairs, the procedure for the distribution of basic goods, the procedure for examining the cases of violators dismissed by the headquarters for following up the Imam's decree, the rumors about combining this headquarters with the Supreme Judicial Council, and issues involving smuggling and pardons for prisoners.

In this interview, concerning overpricing, hoarding and the procedure for eliminating economic terrorism, the prosecutor-general said:

We must not make this issue seem so important that it becomes a major problem in the country, such that it overshadows the issue of the war. The steps taken by the judicial and executive powers to solve this problem are sufficient. It is not necessary for the people to pay excessive attention to this issue. He added: Islam essentially opposes hoarding and overpricing and it has set punishment for hoarders called penalties "ta'zir", which are determined by the Shari' magistrate. But, if it is proven that the intention of the hoarder is to disrupt the government, such a person is considered among the corrupt of the earth. However, the intention of hoarders is usually material gain, although this action indirectly harms the government. He continued: In such cases, the set punishment is usually lashes, exile or other punishment. But, this does not mean that hoarders must be supported. On the contrary, they must know that the slightest overpricing harms the regime of the Islamic government and that the punishment for such action is very severe. He added: A

person who has made millions of rials by overpricing must not merely be fined or jailed for one or two months.

In regards to such individuals, in certain cases, all of their property except the essentials of ordinary life can be confiscated. This should serve as a warning which I am giving to that group which is still thinking about overpricing and hoarding.

The prosecutor general added: It must not be expected that we will show mercy towards those who do not value the blood of the martyrs and their families as well as the self-sacrifice of our combatants on the fronts. The judicial branch will deal with such cases severely. As I have said before, the combining of the prosecutor's office for guild-related affairs with the Justice Department will not mean a decrease in the fight against hoarding and overpricing, but this fight will be escalated in the future. The Justice Department will deal with the hoarders based on Islamic penal codes. In another part of the interview in this connection, Ayatollah Sane'i said: In my opinion, a person who believes in the revolution and this regime would never commit any economic crimes. It is probable that such individuals are connected with the counter-revolutionary "cliques" abroad.

In response to the question of the correspondent of the CENTRAL Daily Press: Concerning the procedure for offering goods essential to the people, there are two opinions: One is that goods should be made freely available, even by importing foreign goods, and another is that domestic production should be supported and controlled. What is your opinion in this regard? The prosecutor-general said:

While the first concern in this case is that people be free to work and trade, and that the government provide the means. But, the government also has a right to set prices. However, in regards to the second concern, since a large amount of these goods are financed with government foreign exchange currency or the subsidies given are taken by the government, the government has the right to control these goods, depending on its general economic policy, to support the goods of the society, but after at the discretion of the people freely or under controls. Of course, such a policy will affect the economy of the country towards self-sufficiency.

When the issue discussed in our report dealing with the formation of a group of labor merchants, Ayatollah Sane'i said: On this question, it was decided that considering the importance of the issue of the exit of currency through the market, reports and the importance of essential goods, from now on, the government including the struggling merchants will work

are considered of major importance by the Ministry of Commerce will be examined by the revolution courts.

He added: To completely implement the religious laws, the Revolution courts will rapidly investigate the offenses and issue the necessary rulings. The decision was made for this very reason.

Concerning the investigation of the cases of violators dismissed by the headquarters for following up the Imam's decree, the prosecutor-general said: These cases have not yet been completed. Once they have been completed, they will be rapidly studied. Some of these individuals insist that the situation be clarified.

Concerning the rumors that the headquarters for following up the Imam's decree will be combined with the Supreme Judicial Council, he said: The decision-making in this case is the responsibility of the religious guardian. However, the issue was raised of the duties of the headquarters for following up the Imam's decree being divided between the judicial and executive branches according to the kinds of duties. There is a strong possibility that this issue will be implemented in connection with the judicial branch.

Referring to the question of whether the release of smugglers and narcotics distribution agents in connection with the nine-article pardon proposal will increase crime in the society, the prosecutor-general said: This issue is sometimes raised, but since the penal codes of Islam will be implemented in the society from now on, based on these codes, a similar punishment for criminal offenses is retribution. Hence, it would seem unlikely that these individuals would commit their past actions again. But, they must know that if they are arrested as importers or even distributors of even a very small amount of narcotics for a second time, they will be tried as among the corrupt of the earth by the revolution courts.

Explanation of the laws concerning hoarding and overpricing

Law Article: The law concerning overpricing, hoarding, etc. that were discussed in a session of the Supreme Judicial Council.

Our correspondent reports from the Supreme Judicial Council: Yesterday, the Supreme Judicial Council held a session in the presence of Ayatollah Mousavi-Ardebili, the head of the Supreme Court; Ayatollah Shari, the prosecutor-general; Mr. Behnam al-Sayid Mousavi, a member of the Supreme Judicial Council. In that session, they discussed the laws concerning overpricing and

fraud were discussed and discussions concerning an amendment to some of the cases were postponed until the next session.

According to P.M.A. report: In this session, which lasted four hours, revisions were made in regards to the judges in Tehran and a number of the judges of the general courts of Tehran who had been retired with compensation as a result of the implementation of the single article involving the requirements for the selection of judges and the appropriate decisions were made in regards to each one.

The report of our correspondent indicates: The Supreme Judicial Council held an extra session lasting three hours yesterday afternoon. In this extra session, the objections of the judges of the provinces of Gilan, Mazandaran and Gorgan and the general courts of Tehran who had been retired with compensation as a result of the single article concerning the requirements for the selection of judges were reviewed and the necessary decisions were made in each case.

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104/2147

IRAN

MUSAVI NOTES EXEMPLARY NATURE OF IRANIAN COURSE

LD242209 Tehran Domestic Service in Persian 1030 GMT 24 Mar 83

[Excerpt] According to a report by our correspondent, members of the Islamic Revolutionary Guard Corps of the third region of the country, accompanied by some members of the Islamic revolution martyrs of Damavand, this morning met Mr Mir-Hoseyn Musavi-Khamene'i, the prime minister.

The prime minister said: Deprived nations have fixed their gaze upon the Islamic revolution and are clearly aware of its popular nature. Therefore, in order to preserve this good will we should try to keep alive the slogans which were chanted by the people ever since the start of the Islamic revolution. One of these slogans was "Neither East nor West, the Islamic Republic." For a long time, the superpowers have tried to indoctrinate various nations of the idea that they could not live without leaning upon one of the power blocs existing in the world. However, our people proved that one can live independently without relying upon empty material powers. This is why the gaze of the oppressed nations of the world are fixed upon this experiment and they have pinned their hope upon it.

Referring to the reliance of the system upon the oppressed people and the slum-dwellers, Mr Musavi said: If our system loses this reliance, naturally the revolution and the system will be deprived of a great weapon both inside and outside the country. The potency of the mission of the Islamic revolution in the world depends upon its commitment to justice. If we lose this, the links of the revolution with billions of Muslims and deprived people of the world will be severed. The Islamic revolution organizations play an important and basic role in maintaining these links, because the essence of the strength of these organizations is derived from their links with the slum-dwellers and the oppressed people of the society. So long as this connection is maintained these organizations will grow and will be supported by our nation.

CSO: 4640/158

TEHRAN COMMENTARY VIEWS NEW YEAR AS YEAR OF VICTORY

LD261200 Tehran Domestic Service in Persian 0730 GMT 26 Mar 83

[Unattributed commentary]

[Text] In our program on the last day of 1361 [Iranian year ending 20 March] we said that the year 1361 had been one of the sensitive and victorious years of the Islamic revolution, the beginning and spring of which coincided with the large-scale and glorious Fath Ol-Mobin operations. Fath Ol-Mobin marked the beginning of spring in 1361. But thanks to our seeking succor from the everlasting power of God and relying on the weapon of faith the year did not just end in Fath Ol-Mobin. The Jerusalem operation, too, turned into the rising of yet another victory on the battlefields of good against evil and continued with the Ramadan battle on enemy soil.

The Moharram operations imparted greater relief to the victories gained during Fath Ol-Mobin. And finally, the preliminary Wal-Fajr operations turned into a daybreak crowning all the repeated victories snatched by the Islamic army and was registered in the annals of the liberation struggle waged by the troops of the front of light as the last operations to be launched by Islam's heroes, which should continue until the complete destruction of Zionist Saddam and the venal agents of Arch Satan in the region.

And this year, by the succor of almighty God, will be a year for the continuation of the Wal-Fajr operations until the complete destruction of the criminal Saddam and the Aflaqite Ba'th Party. We should seek the vastness of these operations in the bloodied hearts of the martyrs, each heart as big as a world. The vastness and greatness of the Wal-Fajr operations which are the forerunners of the final victory of Islam's army over blasphemy should be sought in the faith displayed by the 16-year-old mobilization youngster and his heroic comrades-in-arms who have triumphed over and are snatching victory from the enemy by launching midnight attacks; who have mapped the path for the victory of the strategy of this liberation battle until the banner of "There is no God but Allah and Muhammad is the apostle of God" is raised aloft above the White House in Washington and other edifices of global arrogance.

At any rate, the year 1361 was a year of great victories for you, o heroic and martyr-nurturing Islamic nation: victories which no figures or statistics are capable of describing and, God willing, the new year will be a year for the final victory of Islam over blasphemy and global arrogance. We cherish the hope for the earliest victory and conquest by the combatants of Islam.

CSO: 4640/158

PRESIDENT KHAMENE'I SPEAKS TO NAVAL UNITS

LD272328 Tehran Domestic Service in Persian 1630 GMT 27 Mar 83

[Text] President Seyyed 'Ali Khamene'i, the chief of the joint staff and the energy minister, who all arrived in Bandar 'Abbas today on a tour of (Hormuzgan) Province, inspected the Persian Gulf and Sea of Oman fleet before noon today. The commander of the navy of the Islamic Republic of Iran accompanied the president on this inspection tour.

The presidential inspection tour included the fleet's installations, ship-building dock, repairs section and one floating unit of the navy of the armed forces of the Islamic Republic of Iran. During this inspection tour, the president spoke to the fleet's personnel.

After observing a maneuver staged by the Islamic Republic's naval fleet in the Persian Gulf and Sea of Oman, the president addressed a gathering of the navy's personnel on the frigate Rostam. The president said.

The navy of the Islamic Republic of Iran has a delicate and important task to carry out. The interests of the Muslim people of Iran are being protected and defended as a result of your activities day and night, your initiative and presence in the Persian Gulf and Sea of Oman. The nation loves you and considers you its brothers. That is why your brothers in the army, the guards or the mobilization force coordinate activities with you during all battles, either on the ground or in the air.

Continuing his remarks, the president stressed necessity for promoting Islamic ethnics, and using the existing opportunities. He added: You must not forget that while at sea, you are separated from your nation; know your duty and use your initiative, creativity and bravery. Commanders should treat their subordinates in a sincere manner and subordinates should obey their commanders in a brotherly manner, and you all should know that the people are behind you.

CSO: 4640/158

IRAN

IRAN FRONT INVITES GROUPS TO UNITY CONFERENCE

GF102037 (Clandestine) Free Voice of Iran in Persian 1500 GMT 10 Mar 83

[Excerpts] According to a report by our correspondent in France, the Front for Liberation of Iran, in a statement published in Paris has announced the following: The Liberation Front, which considers the unity of all free and free-thinking Iranians a necessary means for struggle, is reaching out to each of them for the sake of fighting the reactionary and ignorant rulers, whether they are those members of an organization or a party and have shouldered part of the struggle within the framework of their ideals or the various groups of the majority who have--with their abilities and various philosophies--so far been unable or unwilling to participate in the present organizations.

The secretariat of the Front for the Liberation of Iran during the past week has prepared the ground for the first session of the National Coordination Congress with the cooperation and help of many organizations and thinkers. It is likely that all representatives from organizations, parties, groups and various guilds who have accepted the charter of the front and have worked toward fulfilling the goals of the front will gather in Paris in March. This gathering, in some opinions, will be the most important gathering of the representatives of various schools of thought for the sake of shaping the National Coordinating Congress and the establishment of a democratic atmosphere for discussion, after the Paris conference.

OSD: 4640/157

VARIOUS ECONOMIC ACHIEVEMENTS REPORTED

Shoe, Textile, Leather Exports Increase

Tehran KAYHAN INTERNATIONAL in English 22 Feb 83 p 2

[Text]

TEHRAN, Feb. 21 (IRNA) — The national shoe industries company is expected to export some twenty percent of shoes and various products during the next Iranian year starting March 21st, 1983. The managing director of the company, Mohammad Abdulsamadi, speaking to IRNA here Monday said that the company's annual shoe production was some 32 million pairs. In addition it produced some 4 million meters of textile, leather and other items such as glue and fan belts.

He further added that during the current Iranian year, the company exported two percent of its shoe production to Hungary and the Soviet Union. As for the

coming Iranian year, he said that talks were being held with Libya, German Democratic Republic and Soviet Union for export of shoes to these countries. Any increase in export of products of the company, would earn foreign exchange for the country, said the manager.

As for the raw materials used in the company, he said that prior to the victory of the Islamic Revolution of Iran, 90 percent of it was imported whereas after the revolution it has been reduced to only 20 percent. Abdulsamadi said that the company was ready to provide assistance and manpower to other countries in shoe technology.

Iran to Participate in Leipzig Fair

Tehran KAYHAN INTERNATIONAL in English 23 Feb 83 p 6

[Text]

TEHRAN, Feb. 22 (IRNA) — The Islamic Republic of Iran will present its handicrafts, industrial products and minerals in the spring exhibition at Leipzig to be held from 13-19 March in the German Democratic Republic. This was announced by an official at the center for exports expansion, Mohammad Kasraee, here Tuesday.

The GDR trade attaché here, speaking to IRNA on the same subject said Iran's participation in the historic exhibition was another step towards expansion of mutual economic relations between the two countries.

non in Iran, economic relations between the two countries have increased immensely. The volume of trade which was about \$250 million during 1982, is expected to double in 1983, he said, adding that during 1983 his country would purchase non-oil goods worth \$56 million in addition to one million tons of oil from Iran.

He further told IRNA that the visit to Iran by the GDR's Chemical Industries Minister, Gunther Wyschowsky, last December resulted in signing of an agreement between the two countries for exchange of industrial goods. Implementation of the agreement would lead to good results for both countries, concluded the attaché.

First Lead-Zinc Foundry Slated

Tehran KAYHAN INTERNATIONAL in English 23 Feb 83 p 2

[Text]

ZANJAN, Feb. 22 (IRNA) —

The first lead and zinc forging plant in Iran with an annual production capacity of 60,000 tons of lead is to be set up in the northern province of Zanjan with the cooperation of Iranian and Belgian experts.

Mr. Abutalebi, the political deputy of Zanjan's governor general's office said here Monday that due to the abundance of lead and zinc in the Anguran mine, 75 kms west of here, millions of dollars in imports would be saved.

Abutalebi said the construction of the plant is scheduled to begin in late summer, 1983, and that the plant would start production in another five years, employing a work-force of 2,000 to 4,000.

New Ship Received from Yugoslavia

Tehran KAYHAN INTERNATIONAL in English 23 Feb 83 p 2

[Text]

TEHRAN, Feb. 22 (IRNA) — Yugoslavia Tuesday delivered the third vegetable oil carrying tanker (vessel) to Iranian officials at Pola Port, in Yugoslavia. This was announced by public relations office of the Iranian Commerce Ministry here Tuesday.

The 40 thousand ton ship called, "Iran Raja'i" (named after the martyred Iranian president) is the third ordered by the Islamic Republic government from Yugoslavia. The previous two, already delivered to Iran are called "Iran Babonar" and "Iran

Beheshti" (named after martyr Javad Babonar, ex-prime minister and Martyr Ayatollah Beheshti, former chief justice of the supreme court). The three ships are expected to meet the needs of the country in terms of shipment of vegetable oil.

"Iran Babonar" was delivered to Iran last month in Pola Port when the Iranian Commerce Minister, Habibollah Asghar-Owliadi was visiting Yugoslavia. The ceremony was attended by the Iranian commerce minister and his Yugoslav counterpart.

POST-REVOLUTION ACHIEVEMENTS REPORTED

Tehran KAYHAN INTERNATIONAL in English 22, 23, 25 Feb, 1 Mar 83

[22 Feb 83 p 4]

[Text] 2.8 Million Ball Bearing Produced at Ball Bearing Manufacturing Factory of Tabriz

TABRIZ (IRNA)--Owing to the untiring efforts of the committed workers and technicians of the Ball Bearing Manufacturing Company of Tabriz, over 2,800,000 pieces of various types of ball bearings were produced during the past eleven months, reported an IRNA correspondent from Tabriz, the capital of East Azarbaijan Province.

According to the report, 381,390 ball bearings were produced during just the past month at the factory showing an increase of 41 percent as compared to the identical period last year.

14 Metrological Stations Established and Put Into Operation in Kerman

KERMAN (IRNA)--According to an IRNA correspondent in Kerman (Southern Iran) from the beginning of the current year till Feb. sixth, 13 meteorological and climatological stations were established and put into operation in the following districts in Kerman Province by the Meteorological Organization of Kerman: Isfahdor, Jibal-e Barez, Barfaraz, Bardu'i-yeh, Ekbtiarabad, Kahnuij, Bab-e Kangan, Minujan, Dehna, Fath-ul-Museen, Ali Asad-e Jiroft and Fahraj.

According to the report meteorological stations and apparatus were installed and put into operation at the gendarmerie station of Saugaz during the same period.

These meteorological and climatological stations will have been established in cooperation with the Kerman governor's office play an important role in the industrial and agricultural planning of Kerman Province, the report said.

Agricultural Services Rendered to Farmers in Isfahan

ISFAHAN (IRNA)--The number of agricultural services rendered to farmers in Isfahan Province during the past year, according to the report of

Isfahan's Agency for promotion of Agricultural Machines, an IRNA correspondent reported from the city of Isfahan, the capital of the province.

According to the report, 4,044 sets of other agricultural machines and rials 359,464,774 worth of spare parts were distributed to the farmers of the province by the above-mentioned agency.

Among the other activities carried out by the agency for promotion of Agricultural machines of Isfahan during the same period are:

- the servicing of 9738 machines and distribution of rials 12,497,291 worth of spare parts to villagers for free.

- technical instruction and training for more than 500 villagers, and construction of a warehouse for spare parts.

[23 Feb 83 p 4]

[Text] Four Industrial Units Opened in Bakhtaran

BAKHTARAN (IRNA)--Four industrial units were established and put into operation by the private sector in Bakhtaran Province (Western Iran) last month, reported an IRNA correspondent from Bakhtaran, the capital of the province.

According to the same report, these industrial units, which have been certified by the Industries and Mines office of Bakhtaran, produce water heaters, cardboard, cartons and metal and wooden door and window frames.

Loans Extended to Farmers in Minab

BANDAR ABBAS (IRNA)--A total of rials 915,000,000 was extended in loans to the farmers of Minab Township, Hormozgan Province (Southern Iran) during the past ten months, it was announced by the Agricultural Bank.

According to the announcement, the loans were disbursed for various agricultural plans, including irrigation, cultivation, horticulture, cattle-breeding, poultry raising, the purchase of farming machines, fishing tools, and motor pumps, the repairs and dredging of subterranean canals, and the repairs and maintenance of agricultural machines as well as a fishery.

The amount of loans showed an increase of 111 percent as compared to the identical period last year. Meanwhile rials 585,594,190 of the bank's outstanding loans were repaid in Minab, the bank announced.

Developmental Projects Carried out in Esfaharjan

MASHAD (IRNA)--Seventy percent of the developmental budget allocated for the township of Esfaharjan in this year has been absorbed in projects and the rest of it will be expended at the end of the year (Mar. 75), it was announced by the governor of Esfaharjan in an interview with TSC's correspondent in Mashad, the capital of Guilan Province (Northern Iran).

According to the governor among the projects executed in Esfaraven in the current year are: the construction of a storehouse and a dike as well as the building of the Health and Welfare office of Esfarayen, supply of drinking water networks to 10 villages, and the construction of primary schools in 13 villages.

Agricultural and Animal Products Exported Abroad

TABRIZ (IRNA)--More than 547 tons of agricultural products and over 100,000 hides were exported abroad last month by the Regional Standards Office of East Azarbaijan Province, reported an IRNA correspondent in Tabriz, the capital of the province.

According to the report, the above-mentioned products which were equivalent in value to 717 million rials have been exported to East Germany, S. Arabia, Dubai, Kuwait, Russia, Germany, and Italy.

[28 Feb 83 p 4]

[Text]

Hospital Established in Fulad Shahr

ISFAHAN (IRNA) — A 350-bed hospital has been established in Fulad Shahr, Isfahan Province (Central Iran) by the National Steel Company, reported an IRNA correspondent in Isfahan, the capital of the province.

According to the report, the hospital is also capable of being expanded, holds 500 beds and is going to be inaugurated early in the upcoming new Iranian year.

Three Carpet-Weaving Workshops Established in Ilam

ILAM (IRNA) — Three carpet-weaving workshops with 29 looms were established in the villages of Tagh Gavrin, Char-davar and Islam Abad, Ilam Province (Southwestern Iran) during the past month of Bahman (Jan. 21 - Feb. 20) by the Carpet Company of Ilam, reported an IRNA correspondent in Ilam, the capital of the province.

According to the report, more than 130 villagers are receiving carpet-weaving training at these workshops. Including the three workshops the total number of carpet-weaving workshops which have been established in the province by the Carpet Company of Ilam ever since the victory of the Islamic Revolution is 32 in which 1,380 apprentices are being trained.

Sugar Production Boosted at Isfahan Sugar Factory

ISFAHAN (IRNA) — More than 235,500 tons of sugar beet was delivered to the sugar factory of Isfahan in the current Iranian year showing an increase of 30 percent as compared to the identical period last year.

According to IRNA correspondent in Isfahan, the production of this factory in the current year amounted to 29,500 tons of sugar which shows an increase of 20 percent in comparison to last year's production.

Agricultural Machines Supplied to Farmers in Gorgan and Gonbad

GORGAN (IRNA) — The Agricultural Machines Promotion Agency of Gorgan and Gonbad (Northern Iran) distributed 193 tractors to the farmers of this region during the month of Bahman, reported an IRNA correspondent in Gorgan.

According to the report, the supplying of four seeders, a bulldozer blade, and over two million rials worth of spare parts to villagers at no cost, selling of rials 31,397,198 worth of spare parts for tractors and combine threshers to farmers and the free servicing of 231 machines belonging to farmers were among some of the activities of the Agricultural Machines Promotion Agency of Gorgan and Gonbad during the same period.

[1 Mar 83 p 4]

[Text]

Loans Extended to Farmers in Qasr-e Shirin

BAKHTARAN (IRNA) — A total of rials 551,360,000 was extended in loans to 2,215 farmers at 95 war-stricken villages of Qasr-e Shirin, Bakhtaran Province (Western Iran) by the Agricultural Bank during the past two months, reported an IRNA correspondent in Bakhtaran, the capital of the province.

According to the report, the loans were disbursed for various agricultural plans, including irrigation, cultivation and horticulture, cattle-breeding, and poultry-farming.

Meanwhile, the Agricultural Bank extended rials 21,800,000 to the villagers of the region in interest-free loans, the report said.

Construction Jihad in Gilan

RASHT (IRNA) — The Construction Jihad of Gilan Province (Northern Iran) established 29 industrial workshops in various villages of the province during the first ten months of the current Iranian year (March 21 — Jan. 21, 1983), reported an IRNA correspondent in Rasht, the capital of the province.

According to the report, these workshops consist of: eight stone-block making workshops with a yearly production capacity of 555,000 blocks; three tile-producing workshops with a production capacity of 1,226,000 tiles every year; six concrete-duct producing workshops with a production of 5,875 ducts per year; two coal-processing workshops with a total production of 200,000 kilos; seven wood-cutting workshops with a production of 3,747,780 meters per year; a wooden door and window frame producing workshop with a production of 2,512,337 frames per year; a wooden mold-producing workshop with a production of 1,500 molds and a bench and desk fabricating workshop with a daily production of 55 units.

Production of the Machine-Manufacturing Factory of Tabriz Boosted

TABRIZ (IRNA) — Owing to efforts made by the committed workers and technicians of the Machine Manufacturing Factory of Tabriz, 422 lathes and 512 drilling machines were produced at the factory and supplied to market during the first ten months of the current year, reported an IRNA correspondent in Tabriz, the capital of the province.

According to the report, the executive director of the factory has said in an interview with IRNA's correspondent that more than 90 percent of the various lathes' parts, such as the main gear box and turning screw which used to be imported from abroad in the past, are now produced by the committed workers and technicians of the factory.

In 1978, one year before the victory of the Islamic Revolution when the factory had its highest level of production, 374 lathes were assembled whereas its production was increased up to 422 lathes just in the first ten months of the current year, the report said.

BRIEFS

SUCCESSFUL OPERATIONS ALONG ARVAND RUD--The CENTRAL NEWS UNIT reported that Islam's selfless combatants yesterday opened heavy mortar fire on the Iraqi aggressors' armored equipment across the Arvand Rud and in the Fao region, killing or injuring more than 15 blasphemous personnel. During this operation nine foxhills and bunkers, one vehicle and one ammunition dump were completely destroyed. According to this report, our forces also brought enemy concentrations and supply routes across the Arvand Rud under their fire. This resulted in the halting of enemy traffic on the Fao-Basrah road for several hours. [LD191915 Tehran Domestic Service in Persian 1030 GMT 17 Mar 53]

NEW PRC ENVOY--The new PRC ambassador to Tehran, (Xuan Ju Kai), today presented a copy of his credentials to Foreign Minister Velayati. The new ambassador told the foreign minister that the PRC Government and the people attach great importance to their friendship with the Islamic Republic of Iran and that they are determined to take effective steps to strengthen their relations with Iran. The foreign minister replied that relations between Iran and China are ancient, going back to a few thousand years. He added that the Islamic Republic and the PRC are two important countries in Asia, that their ties could play a decisive role in the continent. [Text] [LD160730 Tehran Domestic Service in Persian 1030 GMT 15 Mar 53]

NEW GABON ENVOY--The new Gabon ambassador in Tehran, (Jean Baptiste Tesolje), today presented a copy of his credentials to the foreign minister. The latter said during the meeting: "Considering the priority we attach to the Third World and in view of the fact that Gabon is an OPEC member, relations between Iran and Gabon are of great importance to us. It was because of this fact that we decided to appoint Mr. Tesolje, Minister of Gabon, as ambassadorial level." [Text] [LD160730 Tehran Domestic Service in Persian 1030 GMT 15 Mar 53]

INTERESTS AND CONFLICTS OF INTEREST

Received 10 June 2003; accepted 10 July 2003

Material: "A Strong Defense: Preparing for National Unit."

1400. Mr. Ali Akbar Kargar, the minister of defense, said that the government was taking every possible action to make the country's defenses so strong that no aggressor would entertain evil intentions against it. He made the statement before a meeting of the Advisory Council convened to consider a motion for the government to allocate 100,000 man to Iraq's defense of the oil fields. The motion was rejected by a different source.

The above statements are more or less on the same lines as those made by the Government during its previous sessions. In the meantime, the people will have to trust that all possible measures are being taken to preserve the country's peace and integrity. The long-term plans for the purchase of P-51 planes, which were announced at the time of the last session, are still being carried out. It is hoped that the Government will continue to strengthen its efforts to thwart their aggressive and expansionist intentions. It is also hoped that the Government will continue to strengthen its internal national unity, efficiency, and discipline, and that it will continue to work for the betterment of the lives of the people.

hidden implications of the political and ideological differences that divide our nation at present into clashing groups. There are now certain elements active here whose connection with the Indo-Soviet lobby is no secret. They use Russian terms to describe the Afghan Mujahidin as reactionaries, looters and rebels and openly oppose Pakistan's purchase of weapons to strengthen its defense. They pretend to oppose the present military government, but their real purpose is to weaken the people's morale and thus please their masters. In opposition to these elements are those individuals who recognize the full extent of the foreign danger and are greatly dissatisfied with the present government's performance and speed of action regarding the restoration of democracy, because these individuals consider democracy indispensable to the country's integrity and unity.

The consequences emerging from this state of affairs are that those individuals who are within the government see everything through rose-colored glasses, while those who are outside the government see nothing working right. Those who oppose not only the government but extend their opposition to the country itself, are very active; but those individuals who are not satisfied with the present government alone but who hold the freedom and integrity of the country as dear as honor itself, are in a quandary. They understand fully that there are problems facing the country, but they do not find the government's course of action in accordance with their own feelings and wishes. Weapons can be bought to strengthen defense, and such weapons should be bought on as broad a base as possible. But efforts needed to win over and mobilize those who care for the country's freedom and safety are not being made; and without such efforts, the conditions mentioned by the minister of defense cannot be fulfilled, namely, the existence of the determination and courage in a nation that prevent it from being subjugated by even the most powerful country.

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QUESTION OF EQUAL EDUCATIONAL OPPORTUNITIES FOR ALL DISCUSSED

Lahore NAWA-I-WAQT in Urdu 10 Feb 83 p 10

[Editorial: "Education: Providing Equal Opportunities"]

[Text] Dr Mahbubul Haq, chairman of the Planning Commission, has said that the sixth development plan aims at improving the condition of the ordinary individual and establishing an Islamic economic system in which equal opportunity for all would be the basic principle. To this end, special attention would be given to education and health, and higher education would not only be improved but emphasis would be given to providing equal opportunity in that field. Dr Mahbubul Haq made the statement in a high-level conference of presidential advisors and commission officials. In principle, equal opportunity for education is not only right but highly commendable; however, such equality now exists to a great extent in higher education, and particularly in technical and vocational education, because entrance to these schools is based mostly on qualifications and the proportion of students gaining entrance through nepotism and influence is very limited. Thus, the real need appears to be for a better and more extensive system of scholarships to be set up for needy students in higher, technical and vocational education. A lack of equal opportunity, however, does exist in primary and secondary school grades where two parallel systems exist on an extensive and more or less permanent basis. This reprehensible system of "one country, two systems of education" is not only being tolerated but appears to be indirectly encouraged as well. This fact was pointed out sympathetically and in detail at the recent high-level conference convened by the president in late January to study obstacles and difficulties in the promulgation of an Islamic system and to suggest ways to speed up the process of Islamization. If separate educational institutions exist for ordinary individuals and the elite, and even the syllabus and the medium of instruction are different in each, equal opportunities for education, though advocated with sincerity and sympathy, will never be possible. A foundation that is laid crooked will affect all the upper stories. Mosque schools are useful in themselves; they help in spreading education and should be encouraged. But will children educated in these schools be able even to dream of the equal educational opportunities that, according to Mahbubul Haq, are to be the basic principle underlying the sixth development program?

INDIA CRITICIZED FOR STAND ON KASHMIR, GRASP OF 'DEMOCRACY'

Karachi JASARAT in Urdu 27 Feb 83 p 3

[Editorial: "...The Lady Doth Protest Too Much..."]

[Text] Mrs Indira Gandhi, the prime minister of India, has refused President Ziaul Haq's proposal for the solution of the Kashmir issue on the grounds that certain leaders of the opposition party in Pakistan would not honor any agreement reached between the present Pakistani Government and India. She also said that she was not an autocratic ruler like the Pakistani head of state and therefore would need to present the matter for consideration to her party, the cabinet and leaders of the opposition party.

This should be considered a good attempt by the Indian prime minister to dodge the issue, using as a pretext the absence of democratic institutions and a democratic system of government in Pakistan; but her stand does not show a serious approach or a love of principle on her part. If her stand was based on a serious and realistic regard for principle, then her response to President Zia's proposal for a nonaggression pact should have been the same. If she could start negotiations on the president's nonaggression pact unhindered by the thought that any talks with the military rulers of Pakistan would not bear fruit and that the opposition leaders in Pakistan may or may not honor the nonaggression pact between the military Government of Pakistan and India, why then is the idea [of talks with a military government] distasteful now? It seems that negotiations can be held with Pakistan's military rulers on the proposal for a no-war treaty but not on a solution of the Kashmir issue! This is simply a reflection of the confusion in India's national conscience. Mrs Gandhi's father, the late Nehru, signed the treaty ending the water dispute with Ayub Khan, the military ruler of Pakistan; and the Tashkent treaty also was signed with the same military ruler. Were any of these treaties repudiated? On the basis of what past experience does Mrs Gandhi make her meaningless claim? It is Pakistan's own internal matter what kind of government is in office. The people of Pakistan know well how to deal with their military rulers; but they do not accept the right of anyone outside of Pakistan to talk about the country's internal matters. The people of Pakistan may have a thousand differences with their military leaders inside their own country, but everyone honors the agreements signed by the Government of Pakistan.

The contention that there is democracy in India but not in Pakistan is not a simple matter that can be easily accepted. To say that there are no democratic

institutions in Pakistan because no democratic system exists, or that no democratic feelings can be found in Pakistan, is merely to express a point of view: it does not prove in any way that democracy does not exist in Pakistan. In fact, the people of Pakistan express their wishes openly whenever they want and change their rulers. Ayub Khan, Yahyah Khan and Bhutto did not come to power by means of any constitutionally approved elections; but neither did they relinquish power willingly. They were forced to leave office because of the open opposition and anger of the people. Thus, no military ruler in Pakistan can be called an "autocrat" in the sense that Mrs Gandhi used the word or in the same way that Mrs Gandhi herself ruled during the emergency powers period in her last term of office. Having witnessed the fate of his predecessors Ayub Khan, Yahyah Khan and Bhutto, the present president of Pakistan cannot become an "autocratic" ruler even if he should wish to do so. He will remain in power only so long as the people of Pakistan tolerate him and he does not totally dissatisfy them.

As far as democracy in India is concerned, of course they have democratic institutions there; they have a parliament, provincial assemblies, and elections, such as they are. But how much democratic spirit exists in this "democracy with the democratic institutions?" Even the people of India know that for 32 of the last 36 years, only one family has ruled the country. In Pakistan, no son has ever succeeded his father in the seat of power; but in India's center of power, daughter has succeeded father, to be succeeded in turn by her son; and in occupied Kashmir, the successful preparations to place the son in his father's seat of power are proceeding under the cover of democracy. Pakistan's autocratic ruler Ayub Khan was not able to appoint his son Gauhar Ayub as his party's secretary general; and his attempt to do so aroused the people's anger and cost him his office. But in the Indian democracy, the world watched Sanjay and is now watching Rajiv being groomed to succeed to the seat of power by Mrs Gandhi. How far all this conforms to democracy, one should ask the Indian opposition party.

The spirit of democracy has always remained stronger in the people of Pakistan than in the people of India. One saw evidence of this when, having declared a state of emergency in the 1965 war, Ayub Khan tried to adopt an "autocratic" manner. The people, however, did not wait for the next elections but started a movement that ended Ayub's power. But in India, when Mrs Gandhi imposed a state of emergency and did what Pakistan's military dictator, Ayub Khan, could not even have imagined himself doing, the people of India bore her oppression quietly. Some resorted to the courts, but Mrs Gandhi nullified the power of the courts. After that, the democratic spirit of the Indians just went to sleep until Mrs Gandhi herself set things right and held elections, which gave the dispirited Indian lovers of democracy the opportunity to throw her out of office. It was also in "democratic" India that Mrs Gandhi, who had proved herself a worse dictator than the most autocratic Pakistani, was reelected to office by the votes of the democracy-loving people of India. The people of Pakistan have never been guilty of such immaturity in their understanding of democracy that, having experienced the dictatorial tactics of an individual in power and thrown him out of office, they returned him to power. Only the democracy-loving people of India can perform such a "miracle."

ORGANIZATION OF ISLAMIC CONFERENCE CRITICIZED FOR INEFFECTIVENESS

Rawalpindi TAMEER in Urdu 28 Dec 82 p 2

[Editorial: "Organization of Islamic Countries"]

[Text] The secretary general of the Islamic Conference said that the next summit meeting of conference leaders will be held in January 1984. The summit, to be held in Morocco, will also focus on the problems facing the Muslim nations as well as the performance and successes that the organization achieved up to that time. There is still a year to go before the meeting and it is thus impossible to say whether the organization will have achieved any significant success so as to be in a position to deserve the praise of the Muslim countries. Certainly its record up to now has only been deplorable and disappointing.

The first summit meeting of leaders of the Islamic Conference was held in Lahore. The passion and fervor that existed among the participants at that time are almost non-existent today. Then, even ordinary Muslims were enthusiastic about the unity among the Muslim countries and the future of the Muslim People. The common feeling prevailing then was that the Muslims had at last organized their collective strength and recognized the need to use it for the welfare and development of society. But after 10 years, it is felt that this organization has lost its effectiveness.

There is no dearth of international organizations established for achieving virtuous causes in the world. The United Nations itself is such an organization. All the free countries of the world are affiliated with this organization. The main objective leading to its establishment was to free the world from conflicts and wars and protect the rights of all human beings and nations in accordance with the charter based on high and exalted principles. But until now it has not been able to raise itself above a platform for bringing about reconciliation. Another such international organization is that of the nonaligned or neutral governments. This organization, too, was established with the aim of achieving exalted and high achievements and objectives. To avoid a division of the world into two camps, some nations brought together on one platform the nations that wanted to liberate developing countries from being dependent on big powers. But with time, this movement also lost its effectiveness, because some nations that cannot in any way be called nonaligned gradually entered its ranks. It was because of these nations, which considered the interests of the big nations more important than those of the organization to which they themselves belonged, that

the nonaligned nations movement failed to achieve an important political status. The case of the Islamic Conference is not much different from that of this movement because it also consists of a group of developing nations.

The countries endowed with oil resources are also backward in the fields of science and technology. It was believed that the Islamic Conference, in addition to solving the problems facing Islamic countries, would also bring them together under a collective program to transform them into an industrial power within the shortest time possible. But just as in the political field, the organization failed to make any significant headway in the economic sector. It is true that the Palestinian problem is very complex, but the organization could not even

[?] the conflict between two warring members, Iran and Iraq. The reason for most of the failures of this organization is that member countries are not serious about it. The meetings held from time to time and mutual contacts on a personal level have no doubt brought these countries closer to one another. But the Islamic Conference should also do something besides this. By eliminating backwardness in science and technology and increasing industrial and agricultural production, the Islamic Conference should wholeheartedly strive to bring these sectors to the same level as in the industrially developed nations.

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NDP LEADER MAZARI ASSAILS CRITICS OF JATOI, WALI KHAN

Karachi JANG in Urdu 18 Jan 83 pp 1,12

[Text] Karachi, 17 January--By staff reporter--Sardar Sherbaz Khan Mazari, leader of the defunct NDP [National Democratic Party], says efforts are being made to sow dissension among the parties constituting the MRD. The painful part of this matter, he says, is that one of the parties making up the MRD is being used as an agent in the campaign to create discord. Mr Mazari said this during an interview with the JANG correspondent in reply to an allegation that under the leadership of Mr Ghulam Mustafa Jatoi, the MRD had become ineffective and that no MRD meeting had been held this month. He said that there is no truth in these allegations and that Mr Jatoi was no less effective than any other leader. Mr Mazari added that Mr Jatoi, despite being heavily preoccupied in making arrangements for the marriage ceremonies of his two daughters on 6 January, chaired the MRD meeting on 7 January in which important decisions were taken. He said that if Mr Wali Khan had not been exiled from the province, he too would have participated in the meeting. Sardar Mazari, answering an allegation that Mr Wali Khan had received funds from India, said that strange actions such as calling a person a patriot if he supports the government and branding him an enemy of the state if he opposes the policies of the government and demands the restoration of democracy or elections in the country, can only be seen in our country. The same action is being taken with respect to Wali Khan. As for allegations that Wali Khan received large sums of money from India, he has replied to these allegations himself, saying that if the funds in question had come to Pakistan he would like to know who misappropriated the funds, because he did not receive any. In reply to a question relating to Pir Pagara's statement, Mr Mazari said that he considers him to be a religious leader and would simply like to say that it would be best for him if he serves hundreds of thousands of his followers in his capacity as a religious dignitary. This way he would be doing justice not only to hundreds of thousands of his followers but also to the august position he holds, and the nation would be grateful to him, because politics is beyond his capacity.

Sardar Mazari, sharply criticizing the unpublicized increase in rail fares, said that recent increases in the prices of gasoline and gas and the sudden hike in rail fares do grave injustice to the people. This, he said, proves that the present government right from the beginning has had no consideration for the difficulties of the people. He condemned layoffs in the railway department despite assertions to the contrary and noted that a number of employees is also

being cut in the steel mill and at Qassem port. According to him, it is estimated that 25 percent of the employment openings in all major organizations in the country are reserved for military personnel, which is tantamount to violation of the existing rules and regulations. He also said that in the two small provinces of Sind and Baluchistan, the sense of deprivation among the people is on the rise because these provinces have practically no representation in the army.

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BRIEFS

PLANS TO RESTRICT IMPORTS--Colombo, 22 March (AFP)--Sri Lanka is planning to restrict imports from countries that impose quotas on Sri Lanka exports, the SUN newspaper reported today. Trade Minister Lalith Athulathmudali said yesterday that unilateral quotas adopted by other countries would automatically result in import controls by Sri Lanka, the newspaper said. "We cannot keep the door open to those who close it on us" the newspaper quoted him as telling the first meeting of the Sri Lanka-Korea economic cooperation committee. President Junius Jayewardene's government, in power since July 1977, removed the import barriers placed by the previous administration of Prime Minister Sirima Bandaranaike and adopted a free trade policy. Since then imports have increased by 150 percent while exports have grown by 40 percent. On 8 March, Finance Minister Ronald de Mel stated in his budget that one of the government's priorities in the next few years would be to expand exports. Sri Lanka faces a major balance of payments problem partly because of the free trade policy, he said. Trade Minister Athulathmudali said Sri Lanka's import control would be incorporated within the government's open economic policy, the newspaper said. [Text] [BK221739 Hong Kong AFP in English 0937 GMT 22 Mar 83]

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